

URBAN/MUNICIPAL
CA3 ON HW 058
86 B67

HAMILTON PUBLIC LIBRARY



3 2022 21293193 1

A BRIEF SUBMITTED TO

THE SOCIAL ASSISTANCE REVIEW COMMITTEE

THE
SOCIAL
PLANNING

and RESEARCH COUNCIL
of Hamilton and District



Digitized by the Internet Archive
in 2023 with funding from
Hamilton Public Library

A BRIEF SUBMITTED TO
THE SOCIAL ASSISTANCE REVIEW COMMITTEE

from the Social Planning and Research
Council of Hamilton and District

November, 1986.

Jody Orr, Executive Director
Kim Van Louwe, Research Director
Rick Csiernik, Research Associate
Don Jaffray, Community Development Co-ordinator



THE SOCIAL PLANNING AND RESEARCH COUNCIL
OF HAMILTON AND DISTRICT, 1987

155 James Street South, Suite 602
Hamilton, Ontario. L8P 3A4

All rights reserved including the right to
reproduce in whole or in part in any form.

ACKNOWLEDGEMENTS

The authors wish to express their appreciation to all those who contributed their efforts. This brief represents a drawing together of experience and effort from the last ten years' work of the Social Planning and Research Council, and many who have contributed over the years can see their efforts herein.

To Mary Swan, Caroline Eyk, and Shurl Kocman, our thanks for patient typing and critical suggestions.

Finally to the men and women in our community, who live in poverty but who have had the courage to speak out, and who have, over the years, worked with us in challenging collaboration, our grateful thanks in anticipation of an improved tomorrow.

RECOMMENDATIONS

Recommendation #1

- a) THE PROVINCIAL GOVERNMENT COMMIT ITSELF TO THE DEVELOPMENT IN CANADA OF A SINGLE INTEGRATED AND ADMINISTERED INCOME SECURITY PROGRAM TO INCLUDE ALL CANADIANS.
- b) THE PROVINCIAL GOVERNMENT ADVOCATE TO THE FEDERAL GOVERNMENT ON BEHALF OF THE CONCEPT OF A SINGLE INTEGRATED AND ADMINISTERED INCOME SECURITY PROGRAM TO INCLUDE ALL CANADIANS.
- c) THE PROVINCIAL GOVERNMENT ENSURE BENEFIT LEVELS IN A SINGLE INTEGRATED AND ADMINISTERED INCOME SECURITY PROGRAM REFLECT ADEQUATE BUDGET LEVELS.
- d) THE PROVINCIAL GOVERNMENT TAKE ALL STEPS POSSIBLE TO INTRODUCE AS MANY ELEMENTS OF A SINGLE INTEGRATED AND ADMINISTERED INCOME SECURITY PROGRAM INTO ONTARIO'S SOCIAL ASSISTANCE PROGRAMS.

Recommendation #2

- a) ALL SOCIAL ASSISTANCE IN ONTARIO SHOULD BE PROVIDED THROUGH A SINGLE PROGRAM OPERATED UNDER REGULATIONS ESTABLISHED BY A SINGLE PROVINCIAL MINISTRY AND DELIVERED THROUGH REGIONAL OFFICES.
- b) A SINGLE INTEGRATED AND ADMINISTERED INCOME SECURITY PROGRAM IN ONTARIO SHOULD REFLECT URBAN/RURAL ADEQUATE BUDGET GUIDELINES FOR ALL BENEFICIARIES, SO THAT BENEFITS ARE TIED TO NEED RATHER THAN STATUS. THIS PROGRAM SHOULD INCLUDE IN ITS BENEFITS GUIDELINES CONSIDERATION OF SPECIAL NEEDS AND HIDDEN SOCIAL COSTS OF DISABLEMENT TO THOSE WHO ARE DISABLED AND TO THE FAMILIES OF DISABLED CHILDREN.

continued/...

Recommendation #3

A SINGLE INTEGRATED AND ADMINISTERED INCOME SECURITY PROGRAM SHOULD NOT EXTEND ITS FUNDING INTO THE MUNICIPAL TAX BASE AND SHOULD, OVER TIME, BE FUNDED TO AN INCREASING DEGREE OUT OF GENERAL GOVERNMENT REVENUES.

Recommendation #4

CURRENT INEQUITIES BASED ON "CLASSIFICATIONS" OF RECIPIENTS BE ELIMINATED AND BENEFITS EQUALIZED SO THAT THOSE CURRENTLY RECEIVING LOWER BENEFITS RECEIVE THE HIGHEST LEVEL.

Recommendation #5

THE PROVINCIAL GOVERNMENT SHOULD AFFIRM THE RIGHT OF SINGLE PARENTS TO REMAIN AT HOME TO PARENT, BOTH IN THE CURRENT SOCIAL ASSISTANCE SYSTEM, AND IN A SINGLE INTEGRATED AND ADMINISTERED PROGRAM.

Recommendation #6

EXISTING PROGRAMS BE AMENDED TO FEATURE A UNIFORM ALLOWABLE EARNINGS LEVEL SUFFICIENT TO ENCOURAGE EMPLOYMENT AND THAT THE PRINCIPLE OF "UNIFORM ALLOWABLE EARNINGS" BE EMPLOYED IN THE DEVELOPMENT OF A SINGLE INTEGRATED AND ADMINISTERED INCOME SECURITY PROGRAM.

Recommendation #7

ONTARIO ADVOCATE WITH THE FEDERAL GOVERNMENT AND THE OTHER PROVINCES TO AMEND THE CANADA PENSION PLAN TO ALLOW PERSONS WHO WORK IN THE HOME BUT DO NOT RECEIVE FINANCIAL REMUNERATION TO ACCRUE PENSION CREDITS.

continued/.....

Reccomendation #8

THE PROVINCIAL GOVERNMENT RELEASE INFORMATION ON THE EFFECTIVENESS OF TRAINING PROGRAMS FOR THE EMPLOYMENT DISADVANTAGED (SUCH AS THE EMPLOYMENT SUPPORT SERVICES COMPONENTS OF RECENT PILOT INTEGRATION PROJECTS).

Recommendation #9

THE PROVINCIAL GOVERNMENT REVIEW EXISTING TRAINING/ EDUCATION PROGRAMS TARGETED AT THE EMPLOYMENT DISADVANTAGED AND DEVELOP A COMPREHENSIVE TRAINING AND EDUCATION POLICY FOR THE EMPLOYMENT DISADVANTAGED AND A SET OF PROGRAMS IN WHICH THE EMPLOYMENT DISADVANTAGED MIGHT VOLUNTARILY PARTICIPATE.

Recommendation #10

THE PROVINCE OF ONTARIO ADVOCATE WITH THE FEDERAL GOVERNMENT FOR THE INCLUSION OF INNOVATIVE FORMS OF ECONOMIC ACTIVITY (SUCH AS COMMUNITY DEVELOPMENT CORPORATIONS AND CO-OPERATIVES) IN THE FEDERAL INDUSTRIAL AND EMPLOYMENT STRATEGIES.

Recommendation #11

THE PROVINCE OF ONTARIO INCLUDE INNOVATIVE FORMS OF ECONOMIC ACTIVITY WITHIN ITS OWN INDUSTRIAL AND EMPLOYMENT STRATEGIES, AND THAT IT DEVELOP CONCRETE STRATEGIES FOR ENCOURAGING AND SUPPORTING THE DEVELOPMENT OF SUCH INNOVATIVE ECONOMIC ACTIVITY.

Recommendation #12

THE PROVINCE OF ONTARIO EXPAND ITS COMMITMENT TO QUALITY DAY-CARE THROUGH A SERIOUS EXPANSION IN FUNDING WHICH CAN BE USED TO MEET LOCAL DAY-CARE NEEDS - IN THE FIRST INSTANCE, FOR INCREASED SPACES AND, IN THE SECOND INSTANCE, FOR IMPROVED FUNDING TO APPROVED PROVIDERS TO AUGMENT THE QUALITY OF CARE.

continued/....

Recommendation #13

GIVEN AN APPROPRIATE REVIEW MECHANISM, THE MINISTRY OF COMMUNITY AND SOCIAL SERVICES ALTER ITS SHELTER SUBSIDY PROGRAM TO PROVIDE SUBSIDIES REFLECTING ACTUAL SHELTER COSTS AS THE MAJORITY OF PROVINCIAL AND TERRITORIAL PROGRAMS ALREADY DO.

Recommendation #14

THE GOVERNMENT OF ONTARIO ALLOW ALL SINGLES ACCESS TO PROVINCIALLY SUBSIDIZED HOUSING UNITS.

Recommendation #15

A POINT-RATING SYSTEM AND WAITING LIST (SEPARATE FROM THE FAMILY SYSTEM) FOR PHYSICALLY DISABLED PEOPLE BE ESTABLISHED BY THE O.H.C. TO TAKE INTO CONSIDERATION THEIR SPECIAL HOUSING NEEDS.

Recommendation #16

THE O.H.C. PERMIT DISABLED PEOPLE TO HAVE LIVE-IN ATTENDANTS.

INDEX

Foreword	i
Introduction	1
1. Overriding Principle	1
a) Adequacy	2
b) Meaningful Participation	3
c) Summary	4
2. Basic Goals of an Effective Social Assistance Program Adequacy, Accessibility, Equity	5
3. Current Impediments to Achieving the Goals of Adequacy, Accessibility and Equity	6
a) Chronic Poverty	6
b) Inaccessibility of Services and Resources	7
c) Inequity	8
Income Maintenance Programs	10
1. General Welfare Assistance	10
A. Long-Term Recipt of G.W.A.	12
B. Employability	12
i) The Desire to Work	13
ii) Incentives and Disincentives to Work	14
C. Payments and Poverty	15
D. Fraud	21
E. Municicpal Tax Base.	23
2. Family Benefits	24
A. Longer Term Assistance - Longer Term Poverty	24
B. The Disabled and Other "Special" Cases	25
C. The Shelter Subsidy	26
D. Employability and Support Services	27
3. GAINS-A	28
4. Poverty as a Long Term Condition	29
5. The Working Poor	31

continued/.....

Continued/.....

6. Recommendations	32
a) Long Term Change	32
i) Integrated Income Security	32
b) Interim Changes	33
i) Integration of Existing Programs In Ontario	33
ii) Funding Considerations	34
c) Immediate Changes	34
i) Status of Recipients	34
ii) The Choice to Parent	35
iii) Incentives to Work	35
iv) Pension Reform	35
Support Programs	36
1. The Relationship Between Social and Economic Policy	36
A. Expanded Employment	38
i) Training and Education	39
ii) A Mixed Employment Approach	41
iii) Employment Facilitation: Day Care	42
B. Housing	44
i) Shelter Component of Social Assistance Allowances	47
ii) Housing Stock and Access to Affordable Housing	47
1987 Social Assistance Levels	49
Endnotes	51
Bibliography	55
Appendix 1: Notes to Figures 1-4	
Appendix 2: Social Costs of Disablement	

FOREWORD

The Social Planning and Research Council of Hamilton and District (SPRC) is pleased to have this opportunity to address the Social Assistance Review Committee, and commend the Ontario Government for providing people and organizations across the Province the opportunity to provide meaningful input into the deliberations of the Committee.

Although our submission is based primarily on work done in the Hamilton area, we are sure that the picture which we provide of the situation here will reflect and echo situations elsewhere in the Province. The crisis in our social assistance programs is global in its context and requires global solutions.

Poverty is a state of existence which cannot be tolerated in a society which wishes to conceive of itself as humane and caring. It is a social condition ultimately limited to and rooted in an economy which disinherits important segments of our community: the old, the young, the disabled and women. Therefore, any attempt to address issues related to social assistance in a meaningful way must, by definition, recognize the relationship between social and economic conditions and social and economic policy.

Our submission takes as its starting point a holistic view of people with a range of needs variously met and unmet in our community. Some needs relate to "hard" issues, such as income and housing, others to "soft" issues such as support and meaningful participation. All, however, are real.

Through an exploration of current conditions, we will make a range of recommendations which are related, ultimately, to an overriding principle and which are organized as interim and longer term steps which must be taken if we truly are to develop a humane and caring community.

We appreciate our chance to work with the Committee in a co-operative process of dialogue and remain committed to seeing this dialogue transformed into meaningful action.

INTRODUCTION

1. Overriding Principle

The Social Assistance Review Committee (SARC) has challenged us all to provide advice on the appropriate principles and philosophies which should inform the intent, structure and process of social assistance programs in Ontario. The SPRC is pleased to respond to this challenge by asserting that:

The goal of Ontario's Social Assistance programs should be to ensure that **all** Ontario residents have an adequate life-style characterized by adequate shelter, food, clothing and real opportunity to participate meaningfully in the life of their community.

This overriding principle is founded upon two separate but related beliefs. First, it stems from a holistic view or approach which demands that policies recognize human beings as whole creatures with a continuum of needs. Second, it challenges the historically conditioned concepts of "worthy" vs "unworthy" citizens by asserting that all people share a common set of needs, which must, at some bottom-line point, be met.

In the first instance, a holistic view of human beings demands policies which are in themselves developed with holistic ends in mind. Policies should not compartmentalize people individually nor segment them collectively. For the SARC, this means that its mandated area of investigation (income maintenance programs) is too narrowly drawn, for it assumes a set of needs confined to only one point on a vast continuum. The consequence of this narrowness for the SPRC is a challenge to the mandate of SARC insofar as we will include some discussion of issues

which might not, normally, be seen as related to SARC's review. If, however, a holistic view is taken (a necessity from our perspective), these issues are essential to consider if, in fact, the overriding principle outlined above is to be affirmed.

In the second instance, by arguing that all persons have a shared minimum set of needs, we position ourselves strongly on the side of adequacy in the debate over what does, or does not, constitute poverty. Needs for food, shelter, clothing and participation in the social life of a community are shared by citizens: as such, they are rights. Social Assistance must either embrace or be a component of a larger policy which recognizes and supports these fundamental rights. In this way, social assistance programs must avoid being punitive and/or stigmatizing. Shortfalls in income or service deny these basic rights and, therefore, create inadequacy of lifestyle either in the area of physical or social needs.

a) Adequacy

There has been extensive discussion in Canada on defining and counting the poor. The SPRC has opted for a definition of poverty based on the adequate budget approach, rejecting the more popular and more frequently used Statistics Canada Low Income Cut Off Point (which tends to reduce to estimates of minimum physiological needs, ignoring social needs).

The adequate budget approach assumes that all families regardless of income, require a basically similar stock of goods and services for their physical and social functioning and that (these) basic requirements can be satisfied at low to moderate costs regardless of what families at different levels actually spend. These basic requirements have been developed into standards, allowing local adequate budgets to also be developed.

Generally, the adequate budget level is greater than subsistence, but less than average. It suggests what a family/individual should spend to have an adequate lifestyle, characterized by both healthy physical and social functioning.

b) Meaningful Participation

Meaningful participation in community life can be characterized by a variety of subtle and not so subtle experiences. Participation in the "political" aspects of community life, or the inability to do so, is often a subtle process. Without an adequate income or other essential elements of economic well-being including some reasonable degree of security, a reliable source of income and even expectation of improvement or upward change, "...other aspects of well-being can seldom be fulfilled." (CCSD "Not Enough". p.10).

In political terms this means that people can lose access to opportunities that improve the quality of life, opportunities provided, for example, through health and education. Children, as one result, may be unable to participate in special events at school such as sports day, special outings, hot dog day, etc., because of their extra cost.

Inadequate resources will limit people in other ways. A vital community provides for and encourages input from community members into those processes which affect them. People have control over their life and influence in the community process. Without sufficient resources, this participation does not occur. Restricted access to housing, limited freedom of choice, limits on freedom of movement each represent diminishing control over one's life. The absence

of newspapers, movies or annual vacations will distance people from the cultural life of their community and the information and experience necessary to participate equally in it. Add to this, the not so subtle inability to acquire meat, fresh fruits, sporting equipment, ingredients essential to good nutrition, fitness and good health, and the result is an even greater distancing, even alienation, of people from opportunities for participation.

Such limits create pressures which undermine any system otherwise designed to allow for meaningful participation.

c) Summary

In sum, then, the SPRC's presentation is informed by the following pair of principles:

- policies in the area of social assistance must derive from a holistic view of human beings, taking into account both physiological and social needs.
- all persons share a similar set of physiological and social needs; having these needs met is a fundamental human right.

Taken together, they form the overriding principle upon which Ontario's social assistance programs should be developed:

...to ensure that all Ontario Residents have an adequate lifestyle characterized by adequate shelter, food, clothing and opportunity to participate meaningfully in the life of their community, regardless of race, colour or creed.....

2. Basic Goals of an Effective Social Assistance Program:
Adequacy, Accessibility and Equity

From the overriding principle outlined above, three important goals emerge.

Since income is a key determinant in the purchase of goods and services which comprise an adequate lifestyle, the first goal for the social assistance system should be to:

GOAL 1: ensure that all Ontario residents receive an income which ensures an adequate lifestyle.

Where incomes are insufficient to this task, either additional income must be generated or support services must be provided (e.g. affordable housing).

While income is a key factor, it may not be the only factor in determining that individuals have access to the range of resources and services which will provide them with an adequate lifestyle (e.g. health services, good education, counselling). The second goal of the social assistance system should be to:

GOAL 2: ensure that all Ontario residents have access to the resources and services which can ensure an adequate lifestyle.

Even where there is sufficient income and effective access to resources and services, there remains the need to ensure that old notions of "deserving" and "undeserving", best typified by the classification of people into categories such as "employable" and "unemployable", be

terminated. If an adequate lifestyle is held to be a right, as we have argued, then the third goal of our social assistance system should be to:

GOAL 3: ensure equity in the delivery of services to
all Ontario residents.

These three goals, adequacy, accessibility and equity, provide the objectives against which the SPRC has assessed the effectiveness of our current social assistance programs, and towards which we have developed recommendations contained in our presentation.

3. Current Impediments to Achieving the Goals of Adequacy, Accessibility and Equity

a) Chronic Poverty

Recipients of social assistance programs across Ontario have systematically been refused the right to an adequate lifestyle through receipt of incomes which place them in severe poverty (measured in any way).

In 1981, census data demonstrated that in Hamilton-Wentworth 14% of families and 41.2% of unattached individuals were "Low Income" (falling below the Statistics Canada Low Income Cut-off point). In that same year, the low-income cut-off point for a family of two in Hamilton-Wentworth, was only about 60% of the required adequate budget estimated by the SPRC. (Comparisons of "poverty lines" can be found later in this document). The percentage of low-income families and individuals estimated by Statistics Canada can, therefore, be assumed to be conservative in the extreme.

Evidence presented later will indicate precisely how poor social assistance recipients really are, and, of course, the numbers of poor in our community grow tremendously when the working poor are considered as well.

That chronic, severe poverty occurs on a widespread basis in Ontario is a well documented fact. In this area, despite attempts by government to upgrade incomes, our social assistance programs are abysmal failures. The issue at stake in this review is not whether poverty exists, but whether our community is prepared to tolerate its existence.

If adequacy is a reasonable goal, we would suggest that a major area of change which SARC must address, is the severe gap between recipient incomes and adequate incomes.

b) Inaccessibility of Services and Resources

Support services (whether they are day care, counselling, retraining, et cetera) are a fundamental component of a social assistance system if we view people holistically. Lack of access to such services can prove a major block to an adequate lifestyle.

Lack of access may express itself in at least five ways: geographic inaccessibility, lack of services, income-related problems, access difficulties due to service fragmentation, and problems with access due to lack of information. Geographically, rural and northern areas typically tend to be under-serviced (e.g. women's shelters), although even urban areas may experience geographically determined access problems (e.g. restrictive zoning for adult residential care facilities). Inaccessibility may occur because services do not exist (e.g. day care spaces), exist only marginally, or are over-taxed (e.g. waiting lists for counselling services). At times, lack of

services may occur because they are delivered through voluntary agencies which may not exist in given communities (contrasted to communities rich with a sophisticated mix of public and private service systems). Insufficient income may block access to services (e.g. day care, where moderate income families are finding themselves forced out of the approved market into more generally less expensive, poorer quality informal arrangements). Fragmented delivery of service can lead to uncertainty about who is delivering what program, making access difficult, and simple lack of knowledge about the service system in general can impede successful access.

Where services cannot be accessed, quality of life (lifestyle) can be seriously damaged. The second challenge to SARC, therefore, is defining the minimum range of support services necessary for ensuring adequacy of lifestyle for all residents of Ontario, and recommending mechanisms for ensuring this minimum range is reached and sustained.

c) Inequity

The existence of inequities within programs and across programs is well documented. To take one example, a single woman with dependents may, over her life, start off on General Welfare (lowest allowance), shift to Family Benefits (a more generous allowance), shift back to General Welfare as an "employable" when her children are gone, shift to "unemployable" when she turns 55, and finally shift to O.A.S./G.I.S. (most generous allowance) when she turns 65. At each stage, some judgement about her "worthiness" as a recipient is being made which bears no relationship to what her needs might actually be.

If, however, we approach the problem of income support from a perspective of adequacy, her "worth" as a recipient never changes

- only her needs. Her right to an adequate income is upheld and no stigma or judgement attached to her particular circumstances.

The third challenge for SARC is, therefore, to confront the outdated practice of assessing worthiness of recipients and to replace it with an assessment of need as related to adequacy.

INCOME MAINTENANCE PROGRAMS

1) General Welfare Assistance

In its "Income Maintenance Handbook" the Ministry of Community and Social Services defines general welfare assistance as a program which:

provides short-term financial help to pay for necessities when an individual or family suffers a temporary loss of income due to illness, unemployment or some other misfortune.

From its inception, it was intended to be short term, with rates established at a level which would cover only necessities. Rates were set sufficiently low to encourage recipients to seek work as a route off the program, a concern which was further emphasized by the inclusion of regulations which required recipients classified as employable to demonstrate their readiness and willingness to work.

The General Welfare Act was also developed taking into account the historically-determined role of local municipalities in providing assistance through the inclusion of a cost-shared funding mechanism (20% municipal) which depends on the municipal tax base.

Below, we explore the realities which challenge the assumptions and principles which have shaped the General Welfare system in Ontario: needs are no longer (if ever) short-term; many recipients are, in fact, at risk in finding employment; current payments don't even allow basic necessities to be met; the municipal tax base is strained already, and; the difficulties in providing incentives to work within the current system.

"I think this is a waste of time because no matter what happens, no one will ever be helped. There may or may not be talk, but talk is cheap. It will not get any one a good job, good food, decent clothes or a good decent affordable place to live ... I have worked hard all my life. I miss it. I don't like Welfare. I get insulted and some places won't even take me because they think I'm a bum, because I'm on Welfare. No, I'm not lazy or stupid, but I sure as shooting get mad, fed up and frustrated. There are a lot of people who think and feel just like me. I hope in time to come you will remember this questionnaire and what happened and then, maybe, you will thank God, that you are not one of us."

- survey respondent

"An Examination of Unattached
Women, Over 40, Receiving
General Welfare Assistance in
Hamilton-Wentworth"¹

A. Long-Term Receipt of G.W.A.

General Welfare Assistance (G.W.A) allowances were intended as:

"the main income maintenance programme for people who are in short term or emergency need"²

- Ontario Ministry of Community and Social Services

This theoretically short-term benefit has become the primary source of income for many persons. The long-term impacts of the recession have added new groups such as technologically-displaced and older workers to traditional long-term G.W.A. recipient groups; youth, ex-psychiatric patients, partially disabled³ and older single, divorced and separated women. In a 1986 Social Planning and Research Council study of unattached women over 40, of 192 respondents, 58 (30.2%) had been in receipt of General Welfare Assistance for one to two years, 41 (21.4%) for three to five years and 30 (15.6%) for six or more years.⁴ Another Social Planning and Research Council study questioned teenagers receiving General Welfare Assistance in order to be able to complete high school. Of 102 teens, 29 (28.4%) had been beneficiaries for more than one year.⁵

B. Employability

General Welfare Assistance recipients are classified as either "employable" or "unemployable" when they are added to the caseload. "Employables" are characterized as those free of any serious disability or health problem. "Unemployables" often have minor health problems or disabilities, though not severe enough to warrant a disability allowance, or are 55 years of age or older. Those circumstances combined with a lack of skill, experience or education drastically reduce a recipient's chances of actively competing in the employment market. Thus "unemployables" are not necessarily physically unemployable but rather socially unemployable. The classification of unemployable translates to \$7.00 more per month in assistance.

i) The Desire to Work

A common misconception is that welfare recipients do not want to work even though the opposite has been repeatedly demonstrated. Of 103 teen clients surveyed, 91 (88.3%) had actively searched for either full-time, part-time or summer employment since they turned 16.⁶ When women over 40 were asked why they were not presently employed, only four of the 429 answers (representing 177 respondents) were "Not Interested In Working" (0.9% of responses; 2.3% of respondents). Of the 196 women surveyed, 167 (85.2%) had worked in the past while 27 (16.2%) were still working in order to supplement their benefits.⁷

"I budget very carefully but if something unexpected comes up money wise, I have a rough time, especially if something breaks down. I'd like to be working. I've my name in many places and I do my job searches but I'm running out of places I'm qualified to work at. Also, I'd like to do some re-training so I'd be more qualified for a good paying job. I've been on welfare because of three operations and now need a job..."

"I need a job. I enjoy working."

"I have worked since age 16. It's normal to do so (work)."

"I worked 27 years, hard, in factories. I was turned down by (Worker's) Compensation."

"I have always been fully employed until (the) last two years."

"Worked all my life (until recently), self-supporting since 12 years old."

"I like to work ... I would like to get a good paying job."

"I am trying to find work."

"I would like to earn money of my own to feel wanted and useful."

"(I'd) rather work than be on benefits."

"I would like to know why it is so hard for a teenager of 18 to get a good paying job?"⁸

- survey respondents

ii) Incentives and Disincentives to Work

Under General Welfare Assistance regulations, recipients are allowed to earn an additional \$50.00 per month before money is deducted from their allowance. This extra \$600.00 annual incentive would place a single employable 44.3% below the Statistics Canada Low Income Cut-Off point and 48.8% below the Regional Adequate Budget Level. If recipients earned \$100.00 a month, they would net \$75.00. If the client received the deducted \$300.00, he or she would still be approximately forty percent below area poverty and adequacy levels.

"I would like to know why, if I could find a job to suit my specific needs, I am only allowed \$75.00 (actually \$50.00) extra a month. It certainly doesn't give one much motivation to work."

"Constructive tangible programs (are needed) for persons to leave welfare assistance and go back to work without being financially penalized. ... At times I have had to shoplift foods to live on. ... I find that if I start even a part-time job to get back (in)to the work force its impossible to just pay rent. The Welfare states if I earn over \$50.00 a month some is deducted from my assistance. Yet to go to and from work, bus fare costs. Its not too encouraging to work and receive less earnings than if I were to stay in my stagnant situation. How can I do better? HOW CAN I GET OFF WELFARE?"

"Since I am only allowed to make \$50.00 extra a month - there really isn't much incentive to work part-time." ⁹

"If you can find yourself part-time work, you should be permitted to keep (all) the money considering you found yourself the job and could improve your living standard with the money."

"(Regional Social Services should) provide an incentive to work by providing information about employment and not deducting such a high percentage." ¹⁰

- survey respondents

These findings and comments are not surprising as the literature re-confirms the fact recipients prefer to work. In an article entitled "20,000 Choose Paycheck Over Welfare Check", Charles Atkins describes

the state of Massachusetts' attitude and approach:

"Forcing welfare recipients to take minimum wage jobs and forcing them off the welfare rolls will not work."¹¹

What has succeeded in Massachusetts is a program providing choices. The programme, entitled "ET" - Employment and Training choices, allows recipients to choose their own way into the labour force. "ET" provides a series of co-ordinated options including basic education, skills training, on-the-job training and job placement. It also encourages participants to only select work that provides a wage adequate to support the individual and his or her family.¹² Atkins states:

"The program has proven that welfare recipients do want to work; that they are excellent, highly motivated employees; and that they have aspirations the same as anyone else."¹³

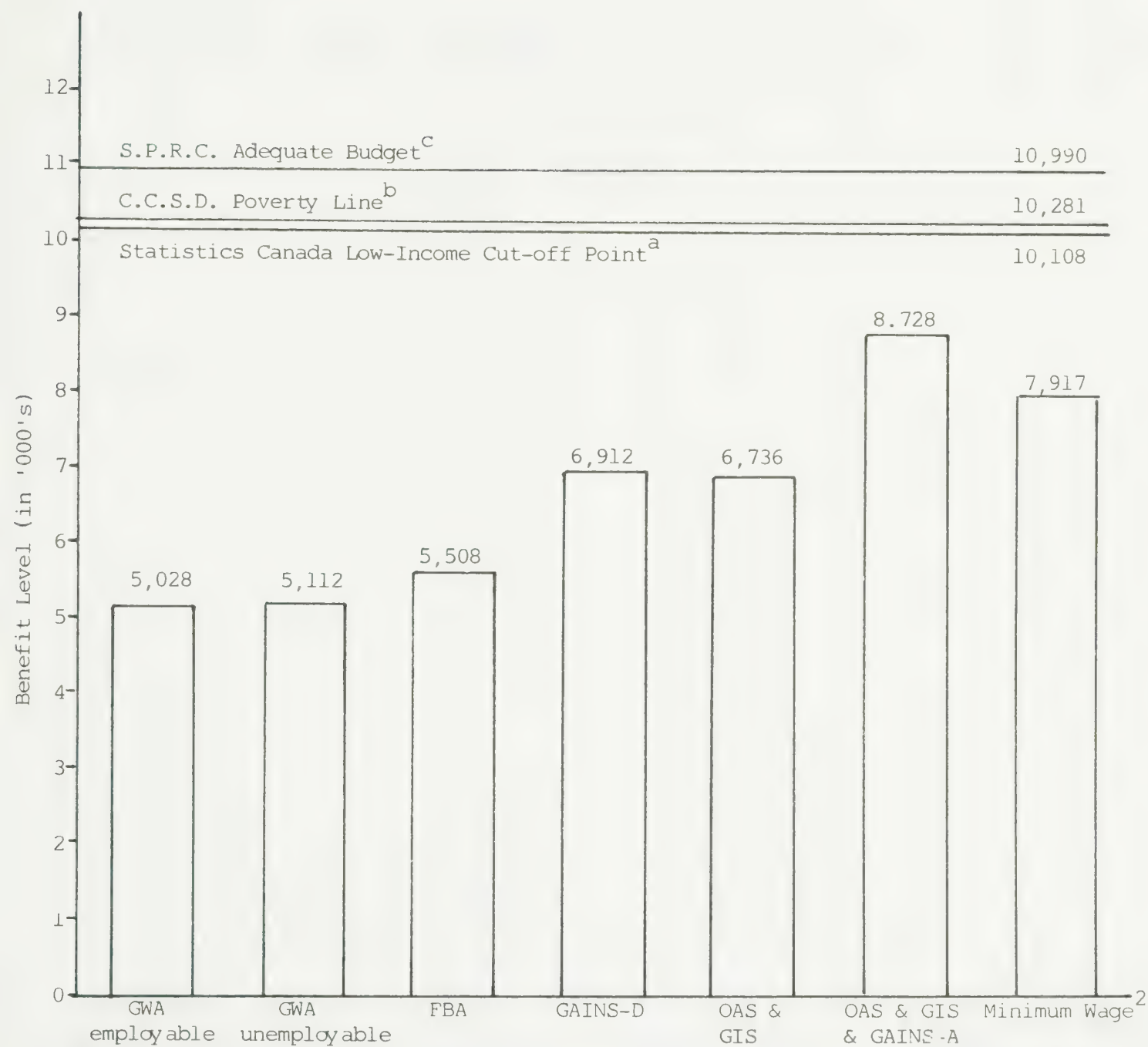
Similar findings were made in Maine where 66% of 4,500 welfare recipients placed in jobs were still working one to two years later.¹⁴ In San Diego, 5,350 of 11,600 (46.1%) welfare claimants involved in the city's job placement program found and maintained private sector, non-government subsidized jobs.¹⁵ The common element throughout the American programs was the clients' ability to choose their way back into the workforce along with the availability of jobs providing adequate incomes.

C. Payments and Poverty

Adequacy is a key element lacking from the current provincial system. As illustrated in Figures 1 - 4, and as already briefly discussed, social assistance levels fall far short of poverty and adequacy levels regardless of reason for receipt or family size.

Since receiving General Welfare Assistance, 75 of 102 (73.5%) teens attending school required additional assistance. Thirty-three (45.2%) stated they had needed food, 30 (41.1%) clothing, nine (12.3%) shelter and 47 (64.4%) additional money. Seventy-eight (80.4%) of 97 students replied that the money they are allotted does not last the month.¹⁶ Similar results were found in the study examining unattached women over 40 in receipt of General Welfare Assistance. Of 189 respondents, 155 (82.0%)

FIGURE 1: MAXIMUM ANNUAL INCOME¹ BY PROGRAMME - SINGLE ADULT^(A)
(October, 1986)



(A) For Figures 1-4, please see Appendix 1 for Notes to Figures 1-4 for definitions and explanations of indicators.

FIGURE 2: MAXIMUM ANNUAL INCOME¹ BY PROGRAMME - TWO ADULTS
(October, 1986)

-17

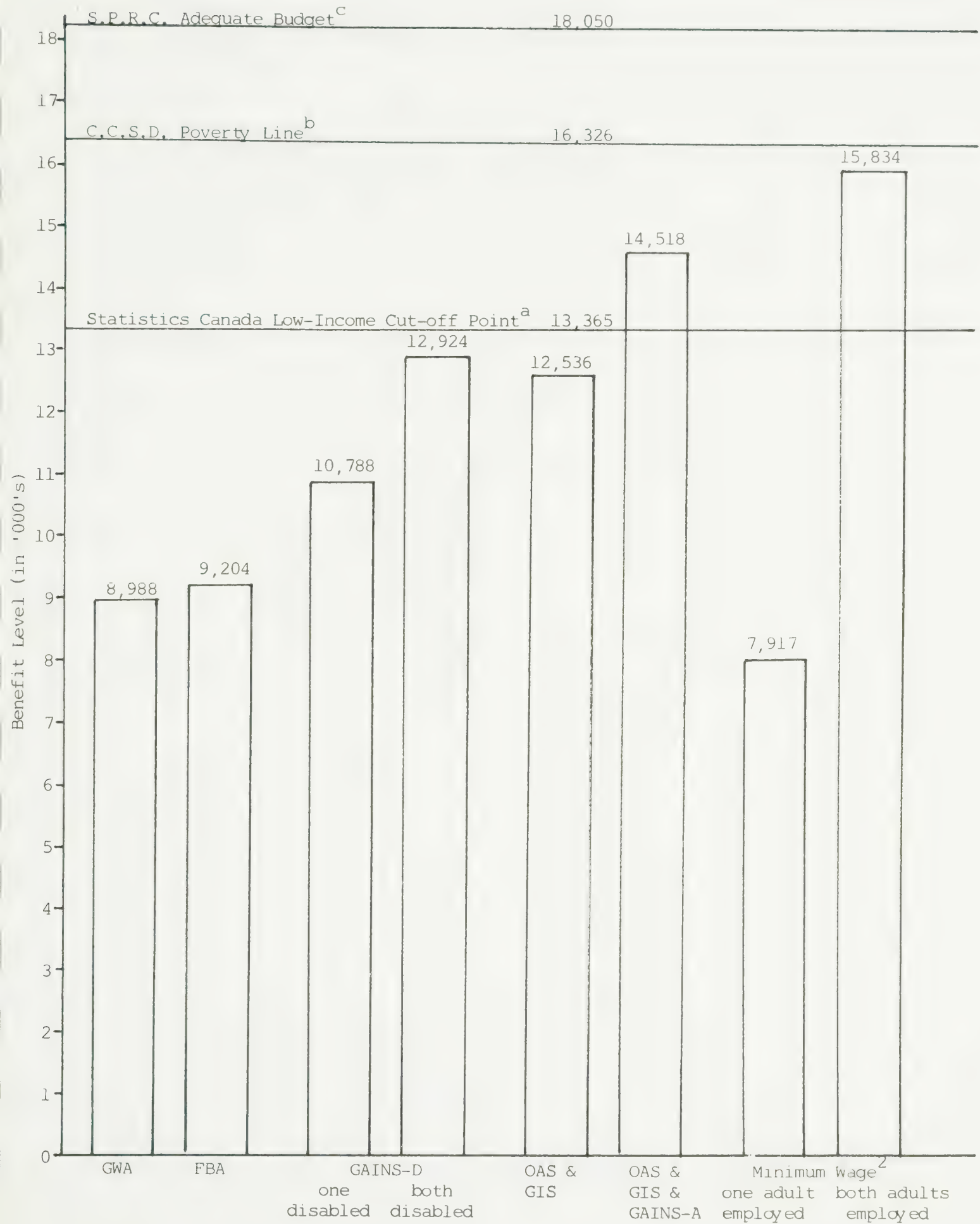


FIGURE 3: MAXIMUM ANNUAL INCOME¹ BY PROGRAMME - ONE ADULT, ONE CHILD
(October, 1986)

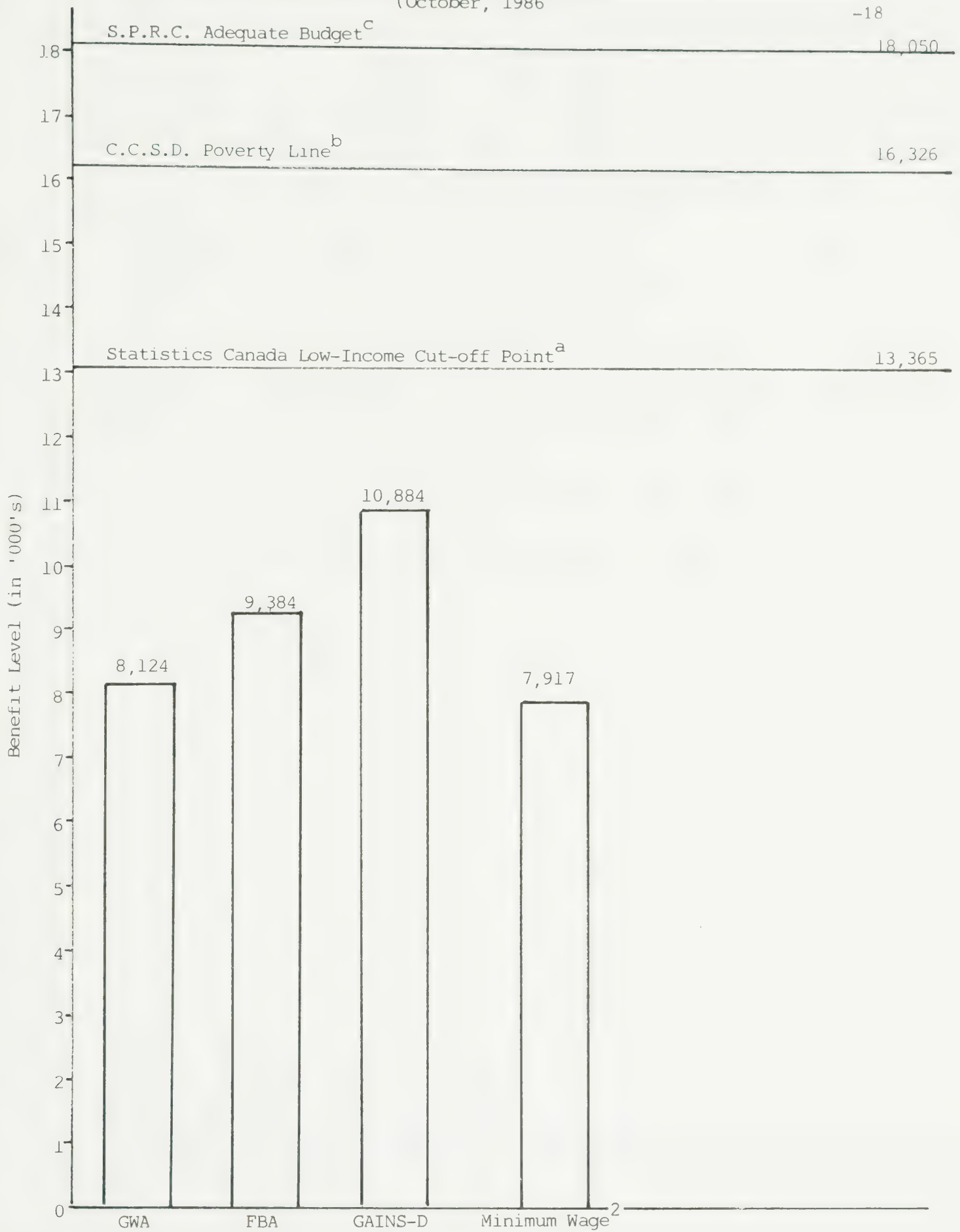
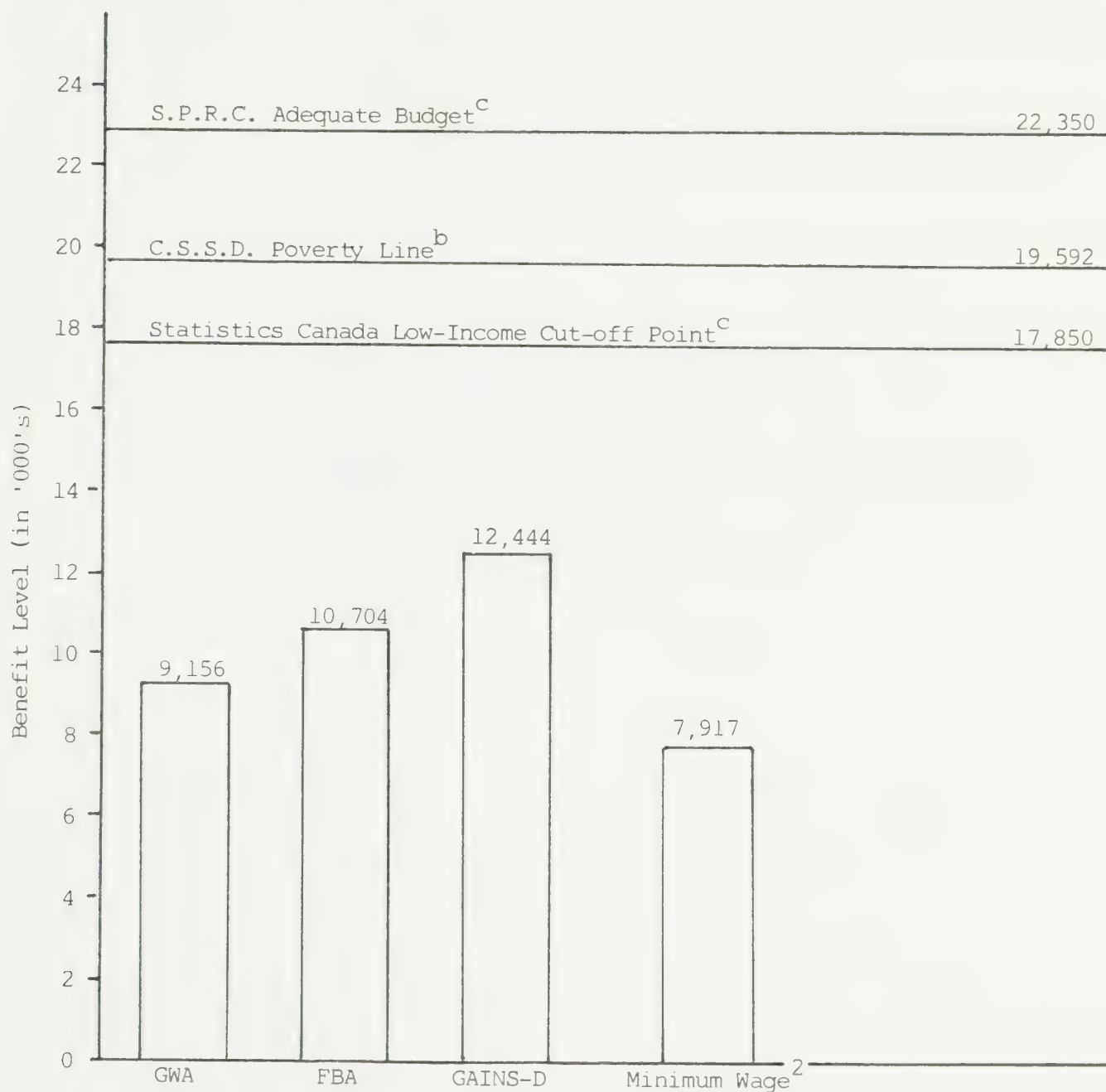


FIGURE 4: MAXIMUM ANNUAL INCOME¹ BY PROGRAMME - ADULT WITH TWO CHILDREN
(October, 1986)



had required additional assistance to supplement their monthly allowance. Sixty-eight (43.9%) had received food, 36 (23.2%) clothing, sixteen (10.3%) shelter and 59 (38.1%) money. However, 48 (31.0%) women who had reported requiring additional assistance since being added to the G.W.A. caseload¹⁷ had received nothing despite their needs.

Allowance levels, particularly those of General Welfare Assistance, were set low to discourage dependence. In reality, the system has produced long-term recipients living in chronic poverty.

"I cannot survive on \$335.00 per month. How do we buy gifts for our children? on special occasions? or buy our food and clothing? It is no wonder I am depressed."

"My bills exceed my Welfare Allowance ... (I'm left) about \$20.00 per month for personal needs."

"Most people think no matter the amount of rent cost, the welfare (department) pays it. They pay a percentage toward it, and the rest comes out of the food money they provide."

"I had raised eight children. Now I'm receiving welfare for myself and I'm only receiving \$375 and I have to pay \$300 for rent which only leaves me with \$75 a month to live on, and I cannot make it"¹⁸

"I am getting \$250.00 a month and paying \$200.00 room and board which leaves me with only \$50.00 spending money which does not last the month."¹⁹

- survey respondents

In Hamilton-Wentworth, an employable receiving the maximum G.W.A. allowance would fall 49.7% below the Statistics Canada Low Income Cut-Off Point and 54.2% below the Adequate Budget Level for the Region. An unemployable, by definition unable to supplement their income by working, will receive a maximum income of \$5,112 in 1986; \$84.00 more than an employable. Their incomes fall 49.4% below the Statistics Canada Low Income Cut-Off Point and 53.5% below the Hamilton-Wentworth Adequate Budget Level (see Figures 1 - 2).

"I want to know how a person is suppose to live on \$295.00 a month (after rent) and keep their home (and) pay taxes, hydro, phone, food, clothes."

"How can I ask for more help with money when they (Regional Social Services) have so many people to look after. At least I can pay my rent and my children are trying to provide me with the food."²⁰

"I only have (enough) assistance for food and shelter. No money for clothes or transportation."

"I am getting \$250.00 a month and paying \$200.00 room and board which leaves me with only \$50.00 (a month) ..."²¹

- survey respondents

D. Fraud

Another serious misconception regarding social assistance is that many recipients are de-frauding the system. Headlines such as "Cracking Down On Welfare Fraud", as appeared in the Hamilton Spectator on October 18, 1986, do little to dispel these beliefs. However, the reality is far removed from this perception.

Little has been written on welfare fraud in Canada. While the 1985 Nielson Commission asked provinces to report on welfare abuse,²² the replies were not published. Several American studies have reported on the incidence of welfare fraud:

- fraud was estimated to account for 3% of the approximately six billion dollars lost by the Health, Education and Welfare (H.E.W.) Department in 1978.²³
- San Joaquin County, California food stamp fraud investigation (1982) found of 5,622 monitored clients suspected of abuse, 560 (9.7%) received overpayments. Of those, 450 (80.4%) returned their overpayment upon notification. One hundred and ten, or two percent, of monitored clients were prosecuted.²⁴
- while some authorities assume 30 - 50% of Assistance For Dependent Children recipients (equivalent to parts of Ontario's Family Benefits Assistance programme) are involved in fraud, official rates remain at three to five percent.²⁵

TABLE 1: 1985 REGIONAL SOCIAL SERVICES CASELOAD FRAUD COMPLAINTS AND CHARGES

Month	Caseload	Complaints			Total (% of Month Caseload)	Fraud Charges Laid	% of Complaints	% of Total Caseload
		Assets-Income	Living Conditions ¹	Other Referrals				
January	8,568	54	96	213	363 (4.2)	10	2.2	0.12
February	8,554	50	81	179	310 (3.6)	11	3.5	0.13
March	8,477	36	75	206	317 (3.7)	8	2.5	0.09
April	8,271	67	89	219	375 (4.5)	10	2.7	0.12
May	8,010	42	84	215	341 (4.3)	12	3.5	0.15
June	7,530	49	51	186	286 (3.8)	6	2.1	0.08
July	7,354	40	60	320	420 (5.7)	2	0.5	0.03
August	7,239	38	81	230	349 (4.8)	6	1.7	0.08
September	6,986	36	76	231	343 (4.9)	4	1.2	0.06
October	7,112	30	70	255	355 (5.0)	6	1.7	0.08
November	7,445 ²	36	59	214	309 (4.2)	5	1.6	0.07
December	7,995 ²	23	40	180	243 (3.0)	7	2.9	0.09

Total	93,541	501	862	2,648	4,011 (4.3)	87	2.2	0.09
Average/ Month	7,795	41.75	71.83	220.67	334.25 (4.3)	7.25	2.2	0.09

¹ No longer a condition of fraud

² Regional Social Services Prediction (used in preparation of 1985 budget re-alignment)

Source: Social Services Department of the Regional Municipality of Hamilton-Wentworth

Table 1 details 1985 Hamilton-Wentworth General Welfare Assistance caseloads, number and type of fraud investigations and number of charges laid. As other studies have found, only an extremely small minority of welfare claimants actively engage in fraud. In 1985, 4,011 cases were investigated with charges being laid against 87 persons (2.2%). Of those 4,011 complaints, 862 (21.5%) were for "living conditions"; the "Spouse In The House" rule that was recently revoked by the Provincial Government. Thus, as the "Spouse In The House" rule is no longer being applied a proportion of the 87 persons convicted in 1985 would now not even be charged. To put this into broader perspective, the ratio between the average monthly caseload in 1985 and the average number of charges laid per month was 1:1,075 or 0.09 percent. While fraud cannot be tolerated, the pursuit to catch those who abuse the system can overshadow the real problem - the poverty of all recipients.

"I'm glad people are interested in helping us (teenagers receiving G.W.A.) and I hope (they) realize that not all people on Welfare are drug addicts, alcoholics and no-ambition slobs. Some of us, like myself, are on welfare to escape those problems and to further myself (by going to) college."²⁶

- survey respondent

E. Municipal Tax Base

When General Welfare Assistance caseloads dramatically increase, as they did in the early 1980's, local municipalities become hard pressed to meet their financial obligations of providing twenty percent of the programs' costs. Past cost overruns in Hamilton-Wentworth's General Welfare Assistance budgets of approximately \$6,000,000, led the Regional Municipality to seek emergency assistance from the Provincial Government. During such crisis, local municipalities are not in positions to fund their mandatory percentage of General Welfare Assistance unless they cut back and even eliminate funds to other discretionary social services, voluntary agencies or other departmental budgets.²⁷ It is at times when Regional Municipalities have the greatest demands that their local economies are least able to provide the mandatory contribution. Overburdened municipal tax bases do not correspond with the ability to pay!

2. Family Benefits

The Family Benefits program was developed as a long-term program of support for those in need of extended assistance due to life circumstances (e.g. single mothers, the disabled). This set of life circumstances and understanding that benefits would be received over the long term led to the establishment of benefit levels above those for General Welfare although the difference, as indicated below, is not overly significant. In reality, F.B.A. recipients face poverty in the same way G.W.A. recipients do, and may be further at risk in relation to seeking employment, due both to their lack of employability having been out of the work force for extended time periods, and need for particular support services (such as child care and training).

A. Longer Term Assistance - Longer Term Poverty

While the Family Benefits Act intended to provide long-term financial assistance for people unable to work, the reality is that recipients face a "longer term" of poverty.

"An Examination of Unattached Women, Over 40 Receiving General Welfare Assistance in Hamilton-Wentworth" reported 105 of the 192 respondents (54.7%) had received Family Benefits Assistance (F.B.A.) prior to being shifted onto General Welfare Assistance caseloads. Of those 105, 27 (25.7%) had received benefits for one to four years, 33 (31.4%) for five to nine years, and 36 (34.3%) for ten or more years.²⁸ Figures 1 - 4 indicate that the financial assistance provided under the auspices of F.B.A. is not significantly greater than that of G.W.A. despite the intended long-term nature of the program. In 1986, a single parent with one child receiving the maximum benefit in Hamilton-Wentworth (\$9,384) will fall 29.8% below the Statistics Canada Low Income Cut-Off Point and 48.0% below the Regional Adequate Budget Level. Similarly, a single mother with two children receiving the maximum benefit (\$10,704) will be 40.0% below the former indicator and 52.1% below the latter. There is little advantage in being a long-term social assistance recipient in Ontario nor in being switched from General Welfare Assistance to Family Benefits.

"The money is not enough for me to live on. I've been wearing the same clothes for some time. I personally think the system needs improvement, especially for people like me who went from Mothers' Allowance (Family Benefits) to welfare".²⁹

- survey respondent

B. The Disabled and Other "Special" Cases

The Family Benefits Act also provides assistance for certain groups who are classified as unable to work; the disabled, permanently unemployed persons (P.U.E's), women in receipt of social assistance between the ages of 60-64 (but not men of the same age - they remain on G.W.A. case-loads). F.B.A. benefit levels also relegate these persons to and ensure them of lives of poverty despite providing a high level of assistance. A single person belonging to any of these groups of "deserving" poor will receive a maximum allowance of \$6,912 in 1986. That amount is 31.6% below the Statistics Canada Low Income Cut-Off Point and 37.1% below the Adequate Budget Level for Hamilton-Wentworth. (Figure 1).

The Province has regularly increased the benefit for the disabled since the inception of the Guaranteed Annual Income System for the Disabled (GAINS-D). The basic allowance for a single person has increased 101.2% from \$216.67 in July, 1974, to \$436.00 in July, 1986. However, between 1975 and 1985, the general Canadian Consumer Price Index increased 117.5%. Without even considering the additional costs many disabled persons are faced with, or the below-the-poverty level income the allowance was initially set at, a 16% loss in the GAINS-D allowance's purchasing power has occurred.³⁰

A further special case to be considered are families with disabled children who may be eligible for special assistance through Family Benefits. Recent research in the Hamilton area indicates that there are

hidden social and income costs to families which are not currently met by F.B.A. These include lost income (because parents must stay at home to provide full time care), special devices costs (which, despite the Assistive Devices Program, may still cost families significant amounts), and little or no social life (due to the care of the child and/or costs of alternate care). A fuller discussion of these costs may be found in Appendix B: Social Costs of Disablement.

C. The Shelter Subsidy

Another major problem involves the method the Province uses in determining shelter subsidies. By employing a system that covers only a proportion of actual shelter costs above a specified threshold level, Ontario places itself ahead of only Quebec and New Brunswick in shelter subsidy payments made to its disabled social assistance recipients.³¹ This system forces recipients to use money theoretically allocated for food and clothing to cover housing costs. In reality, the basic allowance is being used to supplement this inadequate shelter subsidy scheme.

This system affects not only GAINS-D clients, but also G.W.A. and other F.B.A. beneficiaries:

e.g. single person - one bedroom apartment

threshold level = \$115.00

maximum subsidy = \$140.00

proportion of rent paid above
threshold level = 0.80

a) average monthly rent Hamilton-
Wentworth = \$243.00

subsidy calculation:

243-115 = \$128.00

128 x 0.80 = \$102.40

subsidy received: = \$102.40

*difference

subsidy: actual rent = \$140.60

% of rent unsubsidized: 57.9%

b) average monthly low end of
market rent = \$175.00

subsidy calculation:

175-115 = \$ 60.00

60 x 0.80 = \$ 48.00

subsidy received: = \$ 48.00

*difference

subsidy: actual rent = \$127.00

% of rent unsubsidized 72.6%

*amount that must be taken from basic allowance

The long-term problems associated with social assistance are further reflected by the increasing dependence of beneficiaries on food banks. Allowances are supposed to provide adequate finances to purchase the basic necessities including food and shelter. Again, the reality of the situation is much different. In Hamilton, nine agencies currently supply food on request; one-third having opened in the past four years. A 1985 Social Planning and Research Council study indicated a steadily increasing demand for food bank services in the community even after the end of the recession.³² The need for so many agencies to supply this basic necessity in increasing amounts is a definite indicator of the failure of the Provincial social assistance system.

"I eat at my mom's sometimes on Sunday when I don't have any food".³³

- survey respondent

D. Employability and Support Services

A survey of social assistance recipients completed in 1985 by Single Mothers Against Poverty included the following observation:

Many women [in our survey] expressed lack of education as a major contributing factor (sic) why they are on Government Assistance.³⁴

In this survey, 58% of the respondents reported education levels of Grade 9 to 11 (this contrasts to 21% of the women in the Region as a whole in 1981), and 61% had plans to continue their education. Major blocks to education identified by women were the costs of education, difficulty with child care and transportation.

Various pieces of research confirm that many recipients of F.B.A. tend to lack the skills which would make them competitive on the labour market. Many, in fact, wish to learn these skills, but there are significant blocks, both in terms of the programs available, and in the

support services and financial arrangement which could facilitate this process.

Financial incentives to such work in the Family Benefits program (as expressed through the W.I.N. program) are a step in the right direction but still inadequate to seriously redress a situation of poverty. In 1985, an F.B.A. recipient earning \$700 (gross) from employment, received a W.I.N. benefit of \$132.50, for a total monthly income of \$832.50, an increase of 60.4% over the maximum F.B.A. allowance. Annualized, this represented an income of \$9,990. For a single person, this would be just marginally over the Statistics Canada Low-Income Cut-off Point, but only 87% of the adequate budget level. For a two-person family, the recipient would fall significantly below the Statistics Canada and the adequate budget level. Even where incentives have been developed, they have at best only marginal effectiveness in addressing poverty.

Further, these incentives are not available on a wide basis: G.W.A. recipients have no access to W.I.N., and non-participating F.B.A. recipients can earn up to only \$75.00 per month before their benefit allowance is reduced. In all cases, therefore, the inclusion of incentives, while it may to some degree encourage employment, does little to address poverty.

3. GAINS-A

The last step in the journey through a lifetime of poverty for social assistance beneficiaries is "old age". At age 65, recipients are moved from G.W.A., F.B.A., or GAINS-D to old age security. Senior Ontarians are eligible for three forms of assistance: Old Age Security (O.A.S. \$294.43/month), Guaranteed Income Supplement (G.I.S. - \$349.91/month) and Guaranteed Annual Income Supplement for the Aged (GAINS-A - \$83.00 /month). The three provide the highest annual income a single social assistance recipient will receive in his or her lifetime -

\$8,728.08. This pinnacle of income security is still 13.7% below the Statistics Canada Low Income Cut-off Point and 20.6% below Adequate Budget Levels for Hamilton-Wentworth (Figure 1). A couple that both receive O.A.S., G.I.S., and GAINS-A have an income above the Statistics Canada Line though it remains \$3,522 below the Adequate Budget Level (Figure 2).

In theory, a person could join the welfare roles at age 16 and, considering average life expectancies, remain in a condition of chronic poverty for sixty-four or more years. They could move from program to program and never receive adequate support services to achieve independence from the welfare system. Other sub-groups such as the disabled, rarely have the opportunity or are provided with support services necessary to find permanent employment that pays an adequate income. Thus, these people are also forced to endure a lifetime of poverty.

4. Poverty as a Long Term Condition

It is women, though, who are most often caught in this long-term poverty trap. A woman whose spouse dies or leaves her with dependent children is eligible for General Welfare Assistance. If she has one child, her maximum 1986 monthly allowance including shelter and subsidy would be \$677.00 (\$8,124/annum); with two children, the maximum becomes \$763 per month (\$9,156/annum). After a waiting period of at least three months, she and her family are eligible to be moved to F.B.A. The family income, including shelter subsidy, would rise to a maximum of \$782.00 per month (\$9,384/annum) or \$892.00 per month (\$10,704/annum) if there are two children. (Figures 3-4).

After the last child has left home, the woman would be transferred back to General Welfare Assistance for employables. She will receive \$419.00 per month (\$5,028/annum) plus non-monetary benefits as long as she meets the department's job search requirements. Unfortunately, after

a decade and a half in receipt of Family Benefits, this woman might not have either the skill requirements, education nor experience to find employment. She would also no longer be eligible for her subsidized Ontario Housing apartment, if she was fortunate enough to acquire one, after having lived there with her children for years.

Once this woman reaches 55, she is deemed to be unemployable by General Welfare policy. At this time, she will receive slightly higher monetary benefits, a maximum of \$426.00 per month (\$700 more than as an employable) or \$5,112 per year, including the maximum shelter subsidy.

At age 60, the woman will be transferred back to the Family Benefits caseload. Her entitlement increases to the GAINS-D levels of \$576.00 per month (\$6,912/annum). However, sixty year old men are not eligible for this transfer and continue to receive G.W.A. until age 65 when all social assistance recipients are again transferred, this time onto O.A.S./G.I.S./GAINS-A. ³⁵

Many issues arise from this scenario. The most significant and relevant though, is that regardless of the increasing generosity of income maintenance programs, none bring a recipient above even the Country's most conservative estimate of poverty. Once people become enveloped in the system, they are assured a lifetime of poverty with fewer and fewer opportunities to escape the older they become. As recipients age within the system, they receive more financial benefits. Resources are at a minimum during early phases when opportunities still exist to upgrade, retrain and find employment that provides an adequate income and before individuals become accustomed to a life of poverty.

"A little more time should be spent with the younger generation, so that they do not depend on welfare cheques for the rest of time."

- survey respondent

5) The Working Poor

A group often ignored in discussions of social assistance reforms is the working poor. An individual earning Ontario's minimum wage would fall 21.7% below the Statistics Canada Low Income Cut-off Point and 28.0% below the Regional Adequate Budget Level. If the person were supporting a wife and child or two children, the income would be 55.6% below the former indicator and 64.6% below the latter. As well, these workers rarely receive the same benefits to which social assistance recipients are entitled. Ontario remains one of the few provinces that does not top up the earnings of the working poor to social assistance levels. For an individual to provide his or her family of three with an income at the Adequate Budget Level, they would have to work 99 hours a week at minimum wage \$4.35/hour). (Figures 1-4).

Although the figures are not as recent as one might hope, the 1981 Census data regarding employment income gives a grim picture. In 1981, 19.9% of men in Hamilton-Wentworth reported employment income less than the Statistics Canada Low Income Cut-off Point. For women, the corresponding percentage was 50.7%. Since the recession, we have seen a further concentration of women in "ghettoized" employment so that, on a Regional basis, updated data would unlikely show significant improvement.

Employment, therefore, is not a reliable solution to the problem of poverty. Certainly the non-monetary benefits open to social assistance recipients are not available to the working poor. Any change to the social assistance system must, we suggest, involve security of income for the working poor.

6) Recommendations

The serious problems outlined in the previous sections must be addressed by SARC. We in Ontario are provided with a unique opportunity to make significant changes which can deal with poverty in a meaningful way.

The principles upon which these changes should be based have been articulated before, and include:

ADEQUACY

ACCESSIBILITY

EQUITY

a) Long-Term Change

i) Integrated Income Security

To ensure that all citizens are guaranteed an adequate lifestyle, it is necessary to develop a program which is universal in its application, and which ensures adequacy and equity as related to individual needs. Conceptually, such a program or elements thereof have been referred to as a Guaranteed Annual Income, Guaranteed Adequate Income, social insurance program, or core income scheme. The SPRC is only too aware that such terms often carry with them connotations and/or assumptions related to delivery, pay-out levels, et cetera. It is not our intention here to argue the relative merits of particular definitions but, rather, to seek agreement and commitment in principle to concepts of universality, adequacy and equity. For this reason, we respectfully recommend that:

Recommendation #1:

- a) THE PROVINCIAL GOVERNMENT COMMIT ITSELF TO THE DEVELOPMENT IN CANADA OF A SINGLE INTEGRATED AND ADMINISTERED INCOME SECURITY PROGRAM TO INCLUDE ALL CANADIANS.
- b) THE PROVINCIAL GOVERNMENT ADVOCATE TO THE FEDERAL GOVERNMENT ON BEHALF OF THE CONCEPT OF A SINGLE INTEGRATED AND ADMINISTERED INCOME SECURITY PROGRAM TO INCLUDE ALL CANADIANS.
- c) THE PROVINCIAL GOVERNMENT ENSURE BENEFIT LEVELS IN A SINGLE INTEGRATED AND ADMINISTERED INCOME SECURITY PROGRAM REFLECT ADEQUATE BUDGET LEVELS.

- d) THE PROVINCIAL GOVERNMENT TAKE ALL STEPS POSSIBLE TO INTRODUCE AS MANY ELEMENTS OF A SINGLE INTEGRATED AND ADMINISTERED INCOME SECURITY PROGRAM INTO ONTARIO'S SOCIAL ASSISTANCE PROGRAMS.

We are aware that the Provincial government may claim that it is outside SARC's mandate to recommend in this area due to the potential jurisdictional issues at stake, with the Federal government acting as senior partner. The SPRC feels strongly that a commitment in principle to such a program at a national level is essential and that, in the interim, steps can be taken to alter Ontario's existing programs to bring them into line with the concept of a single integrated and administered program with benefits set at adequacy - not poverty - levels.

b) Interim Changes

i) Integration of Existing Programs in Ontario

As an interim step to begin the construction of a single integrated and administered program in Ontario, the SPRC recommends that:

Recommendation #2.

- a) ALL SOCIAL ASSISTANCE IN ONTARIO SHOULD BE PROVIDED THROUGH A SINGLE PROGRAM OPERATED UNDER REGULATIONS ESTABLISHED BY A SINGLE PROVINCIAL MINISTRY AND DELIVERED THROUGH REGIONAL OFFICES.
- b) A SINGLE INTEGRATED AND ADMINISTERED INCOME SECURITY PROGRAM IN ONTARIO SHOULD REFLECT URBAN/RURAL ADEQUATE BUDGET GUIDELINES FOR ALL BENEFICIARIES, SO THAT BENEFITS ARE TIED TO NEED RATHER THAN STATUS. THIS PROGRAM SHOULD INCLUDE IN ITS BENEFITS GUIDELINES CONSIDERATION OF SPECIAL NEEDS AND HIDDEN SOCIAL COSTS OF DISABLEMENT TO THOSE WHO ARE DISABLED AND TO THE FAMILIES OF DISABLED CHILDREN.

ii) Funding Considerations

It is difficult to estimate what a single integrated and administered income security program would cost. While increases in benefits could be significant, we believe that they could, potentially, be offset by decreases in other costs, particularly in the area of administration.

Within this context, we feel it is important to acknowledge the detrimental impacts which funding of social assistance out of the municipal tax base has. The nature of property tax base funding means that municipalities have to expand funding at times when they are least able to, and often at the expense of discretionary programs and other departmental budgets. Further, the property tax bears no relation to the ability of individuals to pay. For this reason, the SPRC recommends that:

Recommendation #3

A SINGLE INTEGRATED AND ADMINISTERED INCOME SECURITY PROGRAM
SHOULD NOT EXTEND ITS FUNDING INTO THE MUNICIPAL TAX BASE
AND SHOULD, OVER TIME, BE FUNDED TO AN INCREASING DEGREE
OUT OF GENERAL GOVERNMENT REVENUES.

c) Immediate Changes

i) Status of Recipients

Consistent with the philosophies of adequacy and equity, current "status" differentiations, such as "employable" and "unemployable", should be eliminated. Therefore, we recommend that:

Recommendation #4

CURRENT INEQUITIES BASED ON "CLASSIFICATIONS" OF RECIPIENTS
BE ELIMINATED AND BENEFITS EQUALIZED SO THAT THOSE CURRENTLY
RECEIVING LOWER BENEFITS RECEIVE THE HIGHEST LEVEL.

ii) The Choice to Parent

Pilot integration programs (F.B.A. and G.W.A.) have raised community concerns as to the right of single parents to remain at home to parent (fears have been expressed about a reclassification of F.B.A. mothers to "employable"). The SPRC calls on the Provincial government to affirm the right of single parents to remain at home to parent.

Recommendation #5

THE PROVINCIAL GOVERNMENT SHOULD AFFIRM THE RIGHT OF SINGLE PARENTS TO REMAIN AT HOME TO PARENT, BOTH IN THE CURRENT SOCIAL ASSISTANCE SYSTEM, AND IN A SINGLE INTEGRATED AND ADMINISTERED PROGRAM.

iii) Incentives to Work

On an interim basis, and certainly in the design of a single integrated and administered program, there must be equity in the incentive provided to recipients to seek gainful employment. Our research indicates that the vast majority of recipients do wish to work. There the SPRC recommends that:

Recommendation #6

EXISTING PROGRAMS BE AMENDED TO FEATURE A UNIFORM ALLOWABLE EARNINGS LEVEL SUFFICIENT TO ENCOURAGE EMPLOYMENT AND THAT THE PRINCIPLE OF "UNIFORM ALLOWABLE EARNINGS" BE EMPLOYED IN THE DEVELOPMENT OF A SINGLE INTEGRATED AND ADMINISTERED INCOME SECURITY PROGRAM.

iv) Pension Reform

Until such time as a single integrated and administered income security program is established, it is essential that:

Recommendation #7

ONTARIO ADVOCATE WITH THE FEDERAL GOVERNMENT AND THE OTHER PROVINCES TO AMEND THE CANADA PENSION PLAN TO ALLOW PERSONS WHO WORK IN THE HOME BUT DO NOT RECEIVE FINANCIAL REMUNERATION TO ACCRUE PENSION CREDITS.

SUPPORT PROGRAMS

The SPRC has argued that adequacy, as a goal for social assistance policy, includes a dimension which goes beyond income to include the ability to participate in the life of one's community. This aspect demands that social assistance policy include a notion of enablement which can be developed and accessed through a wide variety of support programming.

We have indicated previously that access to services is an important element in determining adequacy, and that access to services can be impeded in a variety of ways (including a lack of services, geographic inaccessibility, and cost as a blockage).

Social policy must, therefore, **cease looking at social assistance as a program for community casualties only by targeting social assistance funding at a broad range of services which meet needs determined by viewing people holistically using adequacy as a measure.**

Support programming is not only an appropriate, but a necessary focus for the Social Assistance Review Committee.

1. The Relationship Between Social and Economic Policy

The existence of a social assistance system implies many things, among them the apparent paradox of a system which creates dislocation but also seeks to provide for those who are dislocated. It is this dislocation of the unemployed, of the elderly, of women, of ethnic minorities - which provides a poignant spotlight on the juncture of economic and social policy.

Economic and social policy are often viewed as separate disciplines (the study of political economy notwithstanding). Nevertheless, the decisions made in the area of economic policy have a profound impact on the directions social policy must take. As a voluntary social planning body, we believe that a critical measure of the effectiveness of any economic policy is the proportion of social dislocation which it tolerates. As social dislocation increases, increasing amounts of energy and resources must be pumped in through the social assistance system to contain the dislocation. This seems both an inefficient and ineffective method of operating. Unless and until economic policy is wedded to social policy, and unless both are directed towards both productive economic goals and humane social goals, there is no alternative but to label them both ineffective.

Together, economic and social policy must seek to facilitate orderly, managed and humane change. They must seek to minimize social dislocation, and where economic policy fails to effectively integrate individuals into the lives of their communities, social policy and programs must be created to accomplish this goal.³⁷

Economic policy can be an extremely important tool for use by the Social Assistance Review Committee in developing a social assistance system characterized by adequacy. It may not be perceived by the Committee as falling within its mandate, but is such an important tool that we would encourage SARC to include economic policy within the menu of remedies and changes it must, ultimately, recommend to government.

A. Expanded Employment

Employment, alone, cannot eradicate poverty. Employment, along with a sensitively developed social assistance program, can.

Traditionally, the private sector has been looked to as the key actor in employment growth. Recent trends confirm what many analysts, including the SPRC, predicted during the early 1980's: that the traditional engines of growth (large, heavy industry) in many communities, including Hamilton-Wentworth, could weather the recession, regain profitability and experience growth **without expanding employment.**

In Hamilton-Wentworth, local government has responded through the development of a sophisticated regional economic strategy which places emphasis on sectors other than heavy industry, such as services, the voluntary sector, et cetera. Within this framework, there is a singular lack of attention to two key issues; the possibilities inherent in a mixed approach to economic development and the particular problems associated with employing the employment disadvantaged.

Certainly the Federal, and it would appear increasingly the Provincial government, have placed the vast majority of their considerable resources at the disposal of the private sector. Federally, job creation programs have been pushed by and large into the private sector, provincially, the development of Community Industrial Training Committees (C.I.T.C.'s) - a welcome innovation in terms of local control of training monies - have served, to date, as a forum primarily for the private sector.

We are in agreement with the view that the private sector has a - perhaps the - key role to play in expanding employment. However, we are concerned that this is occurring in the absence of other innovative and creative economic initiatives.

There are at least two major reasons for this to cause some concern. First, although we do not as of yet have any evidence, recent drops in our unemployment rate may reflect growth in poorer quality employment, such as low-wage, part-time work. While this may have a profound impact on the unemployment rate, it may have an equally profound impact on income distribution, creating an even larger group of working poor. We must wait to see if this is, in fact, the case. Second, and of more immediate importance, the private sector has not, traditionally, been the sector to respond to the employment needs of the employment disadvantaged, the vast majority of whom are social assistance recipients (e.g. the disabled, single mothers, et cetera).

There are at least two potential responses to this situation - first, a need to ensure that the employment disadvantaged are targeted with regards to training and education opportunities to a greater degree than currently occurs and, second, the Provincial government must acknowledge and support innovative attempts at employment creation which do not necessarily fall into the traditionally defined role of the private sector.

i) Training and Education

What we do know about training and education for the employment disadvantaged is far less than what we don't know.

We know, for example, that the National Training Program, according to the "Abella" report, did not meet the retraining needs of women.³⁸ We know, from a 1983 survey conducted by Single Mothers Against Poverty in Hamilton-Wentworth, that 84% of their respondents (single

mothers on social assistance) were not enrolled in educational or training programs but wished to be.³⁹ We also know that our Regional Social Services Department has an employment services unit whose purpose is to assist chronically unemployed men and women in finding employment, and that basic bridging programs are well attended (although less well funded).

What we don't know is how effective existing programs are. Evaluations of programs, if even conducted, are not made public. To a degree, locally, the problem will be addressed in the next two years as the SPRC, with the co-operation of our Regional Social Services Department, undertakes a longitudinal cohort study of the effectiveness of employment-related programs in our community. To our knowledge, this type of study has never been done with the intent of public release of results.

With these concerns in mind, we recommend that:

Recommendation # 8

THE PROVINCIAL GOVERNMENT RELEASE INFORMATION ON THE EFFECTIVENESS OF TRAINING PROGRAMS FOR THE EMPLOYMENT DISADVANTAGED (SUCH AS THE EMPLOYMENT SUPPORT SERVICES COMPONENTS OF RECENT PILOT INTEGRATION PROJECTS)

With good evaluation data on hand, we further recommend that:

Recommendation # 9

THE PROVINCIAL GOVERNMENT REVIEW EXISTING TRAINING/ EDUCATION PROGRAMS TARGETED AT THE EMPLOYMENT DISADVANTAGED AND DEVELOP A COMPREHENSIVE TRAINING AND EDUCATION POLICY FOR THE EMPLOYMENT DISADVANTAGED AND A SET OF PROGRAMS IN WHICH THE EMPLOYMENT DISADVANTAGED MIGHT VOLUNTARILY PARTICIPATE.

Our own research has indicated that many - if not most - recipients wish to work given the necessary supports. Our research has also indicated, however, that "the poverty trap" often results in poor self-esteem which sometimes results in a loss of motivation to seek a way out. Programs mentioned above in Recommendation #9 should include basic programs to increase self-esteem and remotivate those who may have become discouraged. We are not endorsing, here, a "blaming the victim" perspective but, rather, a positive, voluntary, non-punitive approach which would work with people, in an attempt to empower them. Given that many recipients would be happy to leave the social assistance system behind them, such programs could, we believe, have measurable effectiveness.

ii) A Mixed Employment Approach

Depending exclusively on the private sector for expanded employment is too narrow a strategy given the potentially questionable quality of employment which may be created and the risk for the employment disadvantaged.

There is, across Ontario, the potential for a vast array of complementary strategies for employment creation and retention which should be actively promoted and supported by the Federal and Provincial governments both. Among these alternatives are entrepreneurial incubators (which should include risk capital provisions accessible not only to individual entrepreneurs, but entrepreneurial groups such as production co-operatives and community development corporations), production co-operatives, and community development corporations. In many cases, such innovative forms of economic activity are, by nature, likely to include the employment disadvantaged as labour targets.

Therefore, we recommend that:

Recommendation #10

THE PROVINCE OF ONTARIO ADVOCATE WITH THE FEDERAL GOVERNMENT
FOR THE INCLUSION OF INNOVATIVE FORMS OF ECONOMIC ACTIVITY
(SUCH AS COMMUNITY DEVELOPMENT CORPORATIONS AND CO-OPERATIVES)
IN THE FEDERAL INDUSTRIAL AND EMPLOYMENT STRATEGIES.

We further recommend that:

Recommendation #11

THE PROVINCE OF ONTARIO INCLUDE INNOVATIVE FORMS OF ECONOMIC ACTIVITY WITHIN ITS OWN INDUSTRIAL AND EMPLOYMENT STRATEGIES, AND THAT IT DEVELOP CONCRETE STRATEGIES FOR ENCOURAGING AND SUPPORTING THE DEVELOPMENT OF SUCH INNOVATIVE ECONOMIC ACTIVITY.

(for a fuller discussion of community development corporations, please see Brief Submitted to the Royal Commission on the Economic Union and Development Prospects for Canada. Social Planning and Research Council (Hamilton: 1983).)

iii) Employment Facilitation - Day Care

Even where training is effective and employment opportunities exist, barriers to employment may still exist.

Single Mothers Against Poverty found in its 1983 study that access to and affordability of day care, transportation costs and low self-esteem were significant barriers to training - the same would hold true, in many cases, for employment.

Day care programs vary tremendously from municipality to municipality, but certain trends are global: there are insufficient approved spaces available; where there are spaces, costs may prove prohibitive; and, where subsidies exist, limits may keep low to moderate income families out of the approved market.

Day-care has never been a luxury, although popular perception may so have suggested. It has, however, increasingly penetrated even popular perception that access to good quality day-care is a necessity and, for government, a compelling adjunct to social and economic policy.

In Hamilton-Wentworth, the work of the Day Care Advisory Committee of the SPRC, adopted by our Regional Council, has resulted in improved access to subsidized care and an innovative and effective funding formula for day-care centres (see First and Second Interim Reports of the Day Care Advisory Committee). However, we still need improved access, and await with some anticipation, the promised new day-care policy from the Ministry of Community and Social Services. This policy must, from our perspective, contain a serious increase in funding for day-care for an increase in approved spaces and improved funding to day-care centres. We recommend therefore that:

Recommendation #12

THE PROVINCE OF ONTARIO EXPAND ITS COMMITMENT TO QUALITY DAY-CARE THROUGH A SERIOUS EXPANSION IN FUNDING WHICH CAN BE USED TO MEET LOCAL DAY-CARE NEEDS - IN THE FIRST INSTANCE, FOR INCREASED SPACES AND, IN THE SECOND INSTANCE, FOR IMPROVED FUNDING TO APPROVED PROVIDERS TO AUGMENT THE QUALITY OF CARE.

B. Housing

An essential component of any viable social assistance strategy is a comprehensive and equitable set of housing policies. We have already seen for example, the impact the shelter component of social assistance allowances has on determining the remaining "disposable" income of recipients.

We would agree with the Government of Ontario "that basic affordable housing is achievable for all Ontarians"⁴⁰ and would go one step further to suggest that such housing should, in fact, be a basic right for all Ontarians.

Within this context, the Social Planning and Research Council feels that the Government has a significant role to play in the provision of adequate and affordable accommodation within the Province.

While the Ministry of Housing's 'Assured Housing for Ontario' initiative has established a progressive course of government action on paper, it is premature, at this point, to adequately gauge its success in meeting the needs of Ontario's social assistance recipients and working poor.

A brief examination of the impacts of recent policy, however, upon thousands of families, disabled persons and singles residing in subsidized housing units may prove instructive.

Across Ontario, municipalities are faced with the fundamental problem of housing a greater number of people in need of subsidized units than there are units available. And while we are all familiar with the hardships associated with attempting to secure housing on the open market with soaring house prices and critically low vacancy rates, the plight of those on social assistance is even more disturbing. A limited income ensures limited access to a stock of housing where the demand almost always exceeds the available supply.

The current system for assessing the demand for subsidized housing in Ontario is based upon the philosophy of housing those people in the greatest 'need' first. The impact this approach has had on the Hamilton-Wentworth community can be addressed by examining the need for housing based upon three criteria:

- a) accessibility;
- b) adequacy; and
- c) affordability.

Accessibility raises the question of whether or not subsidized housing is equally available to all needy segments of the population. In March, 1986, the Social Planning and Research Council completed a major study of the housing and support care needs of the physically disabled in Hamilton-Wentworth.

It became apparent during the course of the study, that one of the impediments to ensuring equal access to subsidized housing was the point - rating of disabled persons using the same system designed for families. Upon further examination, it became clear that this system did not adequately reflect the special housing needs of the disabled, and that a point - rating system for the physically disabled was required.

It is interesting to note that this same recommendation was also made by the provincial Standing Committee on the Administration of Justice⁴¹ in 1981.

The accessibility of housing for the disabled is further restricted by the policy that applicants must be able to 'cope on their own' and are not permitted to have an unrelated live-in attendant. In a time of de-institutionalization and the promotion of independent community living, this policy is a regressive and discriminatory measure.

(The Regional Council of Hamilton-Wentworth has endorsed all of the recommendations of the Social Planning and Research Council study).

Finally, access to subsidized housing for single people - particularly single women - should be addressed in the review of social assistance in Ontario. The eviction of single parents, under the age of 50 years with children not attending school, should be re-examined to permit them to retain their units. Furthermore, families should be permitted to be housed together regardless of age.

Changes in policy to address these inequities and shortcomings would go a long way in ensuring equal accessibility for all families, disabled persons and singles.

Adequacy is the second criterion which can be examined in assessing the need for housing. In Hamilton-Wentworth, there are over 500 families and approximately 100 disabled applicants on the waiting list of the local housing authority. Certainly, this list provides only one limited indicator of the true magnitude of need in the community. Despite the yearly allocation of units to this Region and the recent formation of a Municipal Non-Profit Corporation, the supply of assisted housing is still inadequate.

For families and disabled persons, the Social Planning and Research Council is on record as supporting the implementation of a comprehensive community needs survey and waiting list analysis to determine the need for additional units. Immediate action to meet the need defined by the above analysis should be a priority. The Council also concurs with recent government policy direction which supports the principle of adequacy by funding mixed-income, integrated projects (i.e. co-operative, private and municipal non-profit programs).

The issue of affordability as it relates to housing is central to the review of the social assistance system in Ontario. Whether an individual or family resides in subsidized housing or not, an income sufficient enough to support oneself in a residence is essential. Adequate housing and sufficient income are directly related to one another. Thus, it would appear that the key to ensuring affordable housing is to implement a broad policy of income maintenance adequacy for Ontario's needy families, singles and disabled persons.

i) Shelter Component of Social Assistance Allowances

The first element in such a policy should be the strong affirmation that adequacy, as we have defined the term, include adequate housing, and that income which should be spent on the other elements necessary to an adequate lifestyle not be diverted to meet the need of adequate housing.

Therefore, we recommend that:

Recommendation #13

GIVEN AN APPROPRIATE REVIEW MECHANISM, THE MINISTRY OF COMMUNITY AND SOCIAL SERVICES ALTER ITS SHELTER SUBSIDY PROGRAM TO PROVIDE SUBSIDIES REFLECTING ACTUAL SHELTER COSTS AS THE MAJORITY OF PROVINCIAL AND TERRITORIAL PROGRAMS ALREADY DO.

ii) Housing Stock and Access to Affordable Housing

Even with an amendment of the current shelter subsidy program, there remains the issue of adequate supply and access to that supply. Government intervention in housing supply has been and will continue to be a necessary policy.

The following series of recommendations relates specifically to the issue of supply and access to housing stock.

Currently, while families, the physically disabled and seniors do have access to provincially subsidized housing units, singles - who may be equally in need financially - do not. Therefore, we recommend that:

Recommendation #14

THE GOVERNMENT OF ONTARIO ALLOW ALL SINGLES ACCESS TO PROVINCIAL SUBSIDIZED HOUSING UNITS.

As discussed above, the special housing needs of the physically disabled are not, at this point, assessed in determining priority on Ontario Housing Corporation waiting lists. Therefore, we recommend that:

Recommendation #15

A POINT-RATING SYSTEM AND WAITING LIST (SEPARATE FROM THE FAMILY SYSTEM) FOR PHYSICALLY DISABLED PEOPLE BE ESTABLISHED BY THE O.H.C. TO TAKE INTO CONSIDERATION THEIR SPECIAL HOUSING NEEDS.*

Because of the special needs of the physically disabled, the SPRC further recommends that:

Recommendation #16

THE O.H.C. PERMIT DISABLED PEOPLE TO HAVE LIVE-IN ATTENDANTS.

*Recommendations for necessary changes may be found in 'A study of Housing and Support Services Care for the Physically Disabled in Hamilton-Wentworth: Final Report' - See Bibliography

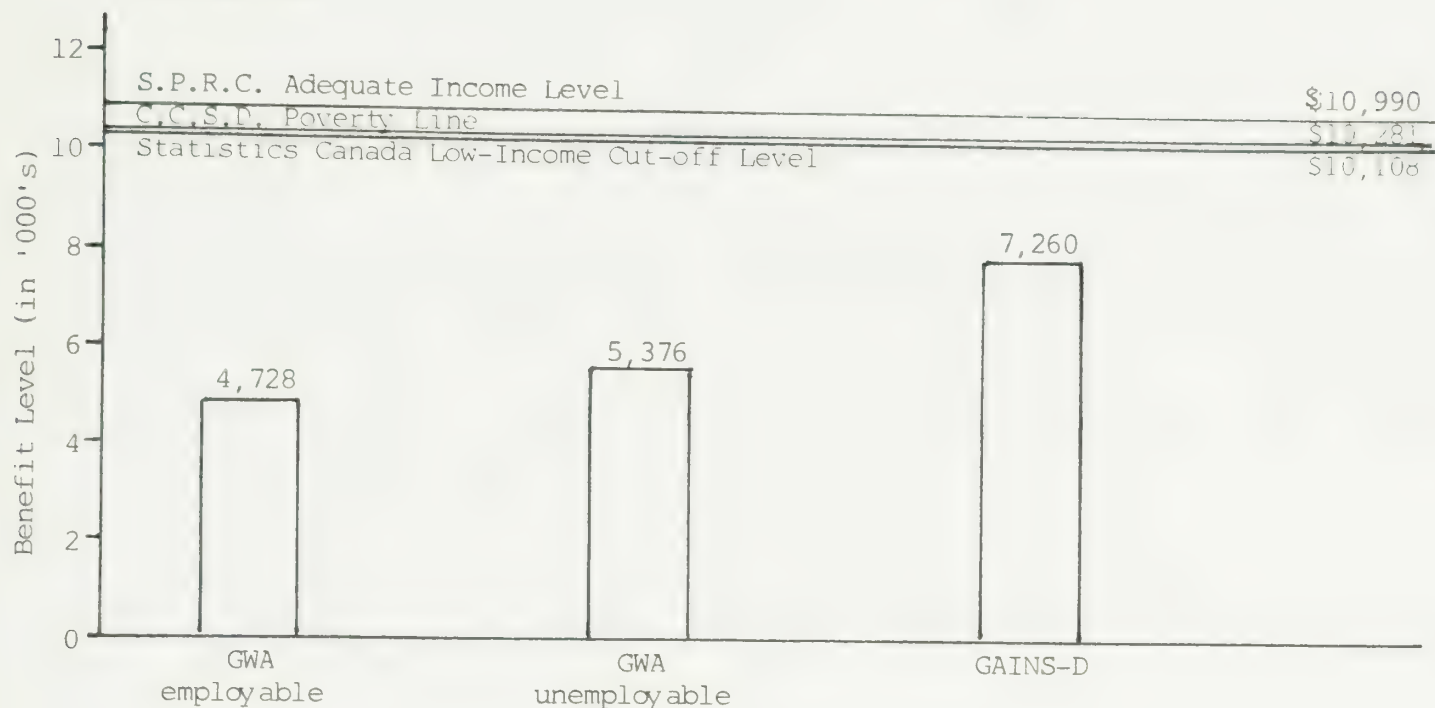
The SPRC is currently working with other community groups and pursuing this with O.H.C.

1987 SOCIAL ASSISTANCE LEVELS

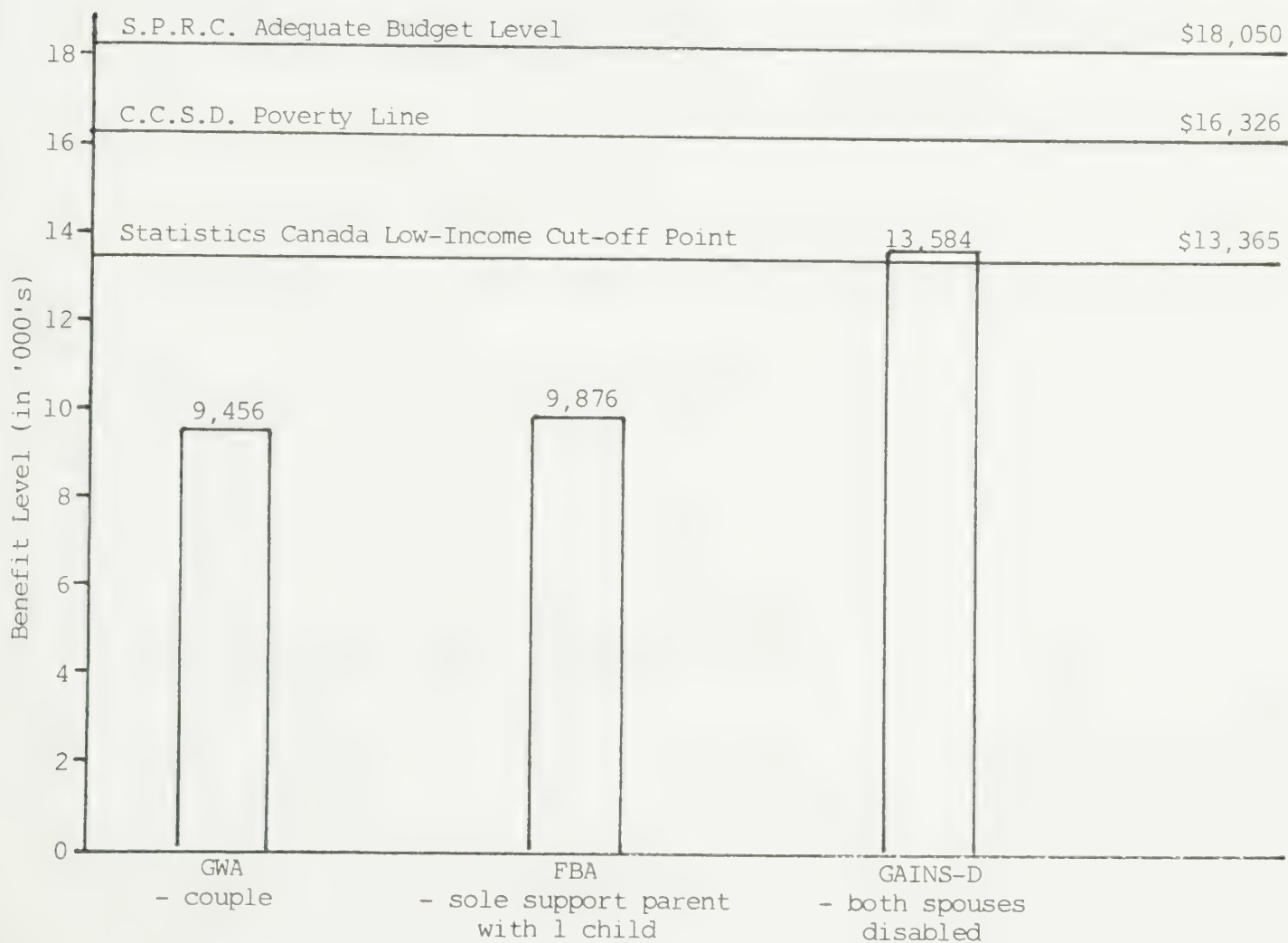
The previous sections, discussions and examples were based upon revised 1986 actual assistance levels. On November 4, 1986, the Honourable John Sweeney announced \$72,700,000 in improvements to social assistance benefits for 1987. Figure 5 illustrates the amounts individuals will receive in 1987 and compares them to 1986 Poverty and Adequacy Levels. Most social assistance beneficiaries will receive only fractional monetary increases despite a proportional increase estimated to be greater than 1987's rate of inflation. While maximum increases in social assistance between January, 1986, and January, 1987, will be over ten percent, this merely indicates the low level at which benefits were previously set. With one exception (both spouses disabled) actual maximum incomes for 1987 remain thousands of dollars below even the nation's most conservative estimate of poverty for 1986.

FIGURE 5: 1987 MAXIMUM ANNUAL INCOME BY PROGRAMME

i) Single Adult



ii) Two Persons



ENDNOTES

1. Rick Csiernik and Shelley Rempel, An Examination of Unattached Women, Over 40, Receiving General Welfare Assistance in Hamilton-Wentworth. (Hamilton: Social Planning and Research Council, 1986) p.1.
2. Ontario Ministry of Community and Social Services, Quarterly Statistical Bulletin - July - September, 1981. (Toronto: 1982), p.1.
3. Social Planning and Research Council of Hamilton and District, Brief Submitted to the Royal Commission On the Economic Union and Development Prospects For Canada. (Hamilton: 1983).
4. Rick Csiernik and Shelley Rempel, op. cit., p.C-24.
5. Rick Csiernik, The Hamilton-Wentworth Regional Social Services' Teen-Worker Programme: A One Year Evaluation (Hamilton: Social Planning and Research Council, in press). Appendix B. iv.
6. Rick Csiernik, op cit., Appendix B. iv
7. Rick Csiernik and Shelley Rempel, Op. Cit., P. C-28
8. Ibid. p.p. D-1, D5.
9. Ibid., loc.cit.
10. Rick Csiernik, Op. Cit. Appendix B.v
11. Charles Atkins, "20,000 Choose Paycheck over Welfare Check", Public Welfare; 1986, 44(1) p.21.
12. Idem.

13. *ibid*, p.22
14. Michael Petit and Linda Wilcox, "Inestimable - But Tangible - Results in Maine".
Public Welfare; 1986, 44 (1), p.14
15. Randall Bacon, " A Model Program for All California"
Public Welfare, 1986, 44 (1), p.29
16. Rick Csiernik, *op. cit.* Appendix B iv
17. Rick Csiernik and Shelley Rempel, *op. cit.*, p. C-30-C-31
18. *ibid*, p.p. D2; D-4; D-55
19. Rick Csiernik, *op. cit.*, Appendix B. v
20. Rick Csiernik and Shelley Rempel, *op.cit.*, p.p. D-1, D-2, D-4.
21. Rick Csiernik, *op.cit.*, Appendix B. v.
22. Task Force on Program Review, Service to the Public: Canada Assistance Plan
(Ottawa: March, 1986) p. 30
23. John Young "Reflections on the Root Causes of Fraud, Abuse and Waste in Federal Social Programs". Public Administration Review, 1983, 43(4), p.362
24. David Greenberg, "Snuffing Out Fraud", Public Welfare, 1984, 44, p.38
25. Gary Hutton, "Welfare Fraud and the Police", Police Chief, 1979, 46(11), 46.
26. Rick Csiernik, *op. cit.*, Appendix B5

27. The Social Planning and Research Council, op. cit. p.12
28. Rick Csiernik and Shelley Rempel, op. cit. p.C-24
29. ibid, p.D-1
30. Rick Csiernik, A Comparison of Provincial and Territorial Income Security Programmes for Disabled Persons With Ontario's GAINS-D Programme.
(Hamilton: Social Planning and Research Council, 1986) p.-13
31. ibid, pp. 35-36
32. Rick Csiernik and Winsome Cain. An Overview of the Impact of the Recession on Women in Hamilton-Wentworth.
(Hamilton: Social Planning and Research Council, 1985). p.92
33. Rick Csiernik and Shelley Rempel, op. cit., P. D-1
34. Single Mothers Against Poverty, Health: A Survey of Single Mothers in Hamilton.
(Hamilton: Single Mothers Against Poverty, 1985). p.10.
35. Rick Csiernik and Shelley Rempel, op. cit., p.p. 18-19.
36. Rick Csiernik, The Hamilton-Wentworth Regional Social Services' Teen-Worker Programme: A One Year Evaluation.
(Hamilton: Social Planning and Research Council, in press),
Appendix B-v.
37. Social Planning and Research Council of Hamilton and District.
op cit., p.16
38. Report of the Royal Commission on Equality in Employment,
(Ottawa: October, 1984). p.163
39. Single Mothers Against Poverty, A Survey of Single Mothers in Hamilton, August, 1983, p.8.

40. Government of Ontario, Assured Housing for Ontario: Reforms to Rent Review
(Toronto: Ministry of Housing, December, 1985). p.1.
41. Standing Committee on the Administration of Justice, Report of the Ontario Housing Corporation and Local Housing Authorities, 4th Session; 31st Parliament.
(Toronto: Queen's Printer, February 1981). p.vii.

BIBLIOGRAPHY

Atkins, Charles, "20,000 Choose Paycheck over Welfare Check",
Public Welfare,, 1986, 44(1), 20-22

Bacon, Randall, "A Model Program For All California",
Public Welfare, 1986, 44 (1), 28-29.

Canadian Council on Social Development, Not Enough: The Meaning
and Measurement of Poverty in Canada. Ottawa: 1984

Csiernik, Rick, The Hamilton-Wentworth Regional Social Services
Teen-Worker Programme: A One Year Evaluation.
Hamilton: Social Planning and Research Council, in press.

Csiernik, Rick, A Comparison of Provincial and Territorial Income
Security Programmes For Disabled Persons With Ontario's
GAINS-D Programme. Hamilton: Social Planning and Research
Council, 1986.

Csiernik, Rick and Cain, Winsome, An Overview of the Impact of the
Recession on Women in Hamilton-Wentworth. Hamilton:
Social Planning and Research Council, 1985.

Csiernik, Rick and Rempel, Shelley, An Examination of Unattached
Women, Over 40, Receiving General Welfare Assistance in
Hamilton-Wentworth. Hamilton: Social Planning and Research
Council, 1986.

Day Care Advisory Committee: First Interim Report of the Day Care
Advisory Committee: Hamilton: Social Planning and Research
Council, 1985.

: Second Interim Report of the Day Care
Advisory Committee: Hamilton Social Planning and Research
Council, 1985.

Government of Ontario, Assured Housing for Ontario: Reforms to Rent Review: Toronto: 1985.

Greenberg, David, "Sniffing Out Fraud", Public Welfare, 1984, 44, 32-39

Hutton, Gary, "Welfare Fraud and the Police", Police Chief, 1979, 46(11)
46-47

National Council on Welfare, 1985. Poverty Lines, Ottawa: 1985.

Ontario Ministry of Community and Social Services,
Quarterly Statistical Bulletin - July - September 1981.
Toronto: 1982.

Perkovic, Eddy and Csiernik, Rick, Guide for Family Budgeting in Hamilton-Wentworth, 1986. Hamilton: Social Planning and Research Council, 1986.

Petit, Michael and Wilcox, Linda, "Inestimable-But Tangible - Results in Maine", Public Welfare, 1986, 44(1), 13-15.

Report of the Royal Commission on Equality in Employment, Ottawa: 1984

Single Mothers Against Poverty, A Survey of Single Mothers in Hamilton
Hamilton: 1983.
Health: A Survey of Single Mothers in Hamilton. Hamilton: 1985.

Social Planning and Research Council of Hamilton and District.
A Study of Housing and Support Care for the Physically Disabled in Hamilton-Wentworth. Hamilton: 1986.

Social Planning and Research Council of Hamilton and District.
Brief Submitted to the Royal Commission on the Economic Union and Development Prospects for Canada. Hamilton: 1983.

Standing Committee on the Administration of Justice: Report on the Ontario Housing Corporation and Local Housing Authorities.
Toronto: Queen's Printer, 1981.

Task Force on Program Review, Service To The Public: Canada Assistance Plan. Ottawa: March, 1986.

Young, John, "Reflections on the Root Causes of Fraud, Abuse and Waste in Federal Social Programs", Public Administration Review, 1983, 43(4), 362-369.

APPENDIX 1

NOTES TO FIGURES 1 - 4

Notes To Figures 1 to 4

1 Maximum Annual Income includes maximum Basic Monthly Allowance plus:

i) Shelter Subsidy (G.W.A./F.B.A./GAINS-D)

<u>Family Size</u>	<u>Amount</u>	
	<u>Monthly</u>	<u>Annual</u>
1	\$140.00	\$1,680
2	205.00	2,460
3	215.00	2,580

ii) Fuel Allowance (F.B.A. - single; couple)

<u>Family Size</u>	<u>Amount</u>	
	<u>Monthly</u>	<u>Annual</u>
1	\$ 60.00	\$ 720
2	100.00	1,200

Non-monetary benefits are not included in annual income levels. The following, based on the Social Planning and Research Council's "Guide To Family Budgeting - 1986" are approximates that could be added to the social assistance levels indicated in Figures 1 - 4.

<u>Benefit</u>	<u>Beneficiaries</u>	<u>Family Size</u>	<u>Average Annual Amount</u>
O.H.I.P.	all groups	1	\$357.00
		2+	714.00
Prescription Drugs	all groups except minimum wage	1	149.40
		2+	280.68
Dental Care	G.W.A./F.B.A./ GAINS-D	1	146.40
		2+	313.44
Eye Glasses	G.W.A./F.B.A./ GAINS-D	1	42.96
		2+	85.94
Property Tax Grant	G.I.S./O.A.S/ GAINS-A	1 or 2+	500.00

Notes (cont'd):Estimated Annual Value of Non-Monetary Benefits (1986):

	<u>Family Size</u>	<u>Estimated Annual Amount</u>
G.W.A./F.B.A./GAINS-D	1	\$ 695.76
	2+	1,394.06
O.A.S./G.I.S./GAINS-A	1	1,060.40
	2+	1,494.68
Minimum Wage	1	357.00
	2+	714.00

²Minimum Wage levels based upon a 35 hour work week at \$4.35 per hour including two weeks paid holiday.

Poverty and Adequacy Level Indicators^aStatistics Canada Low Income Cut-Off Point

Statistics Canada developed its values based upon average expenditures in communities using surveys of household expenditures. There are seven categories of family size ranging from one person to seven or more persons. Communities are divided into five groups according to population: metropolitan areas with half a million or more residents are Vancouver, Edmonton, Calgary, Winnipeg, Hamilton, (includes Wentworth County, Burlington and Grimsby) Toronto, Ottawa, Montreal and Quebec City.

Estimates are made on the percentage the average Canadian family spends on the basic necessities of food, clothing and shelter. Statistics Canada has determined that if a family spends more than 58.5% of its income on basic necessities, it is living in "strained circumstances". This value becomes the "Low Income Cut-Off Point". Appropriate adjustments are made for different family sizes and urban/rural residency.

Poverty and Adequacy Level Indicators (cont'd)^b Canadian Council on Social Development Poverty Line

Since 1973 the Canadian Council on Social Development (CCSD) has employed the relative income approach, setting its poverty line at 50 percent of average Canadian family income.

The CCSD line is constructed quite simply, based on the prevailing value of the average Canadian Family income as estimated by Statistics Canada. The income figure represents pretax income. In 1983, the average Canadian income figure was considered to represent the income of a family of three (the average Canadian family size). The poverty line for a family of three is calculated as 50 percent of the average income figure. Adjustments are then made for different-sized families on the basis of family income units (a family income unit is considered to be the annual amount necessary to sustain a dependent). Family-size adjustments are then scaled - a family of one is granted three income units; a family of two has five units; a family of four has seven units, and so on.

^c Adequate Budget Levels

This method estimates standards for family living by determining with the help of experts, the costs of goods and services in the community necessary to maintain the physical and social functioning of families.

The Guidelines generally represent more than subsistence standards. Subsistence is often defined negatively in terms of social assistance and transfer payments as distinct from earned incomes. Subsistence budgets and 'poverty lines' tend to reduce to estimates of minimal physiological needs. Adequate Budget Levels do not represent an 'average expenditure' rather expenditure levels shown are the result of expert group judgements made about basic stocks of goods and services needed to maintain family households.

The Guidelines present living costs in the form of budgets covering family food requirements, shelter costs, clothing, home upkeep, health care, personal care, transportation, and certain discretionary expenditures as education, recreation and others. Budget estimates can be related to family size, age, sex, occupational and other circumstances of family members.

Poverty and Adequacy Level Indicators (cont'd)

^c(cont'd)

The original standards were formulated in Toronto by special committees and revised most recently in 1984. The general principle which has guided the choices and judgements of the committees has been that all families, regardless of income, require a basically similar stock of goods and services for their physical and social functioning and that basic requirements can be satisfied at low to moderate costs regardless of what families at different levels actually spend.

Sources: Canadian Council on Social Development, Not Enough: The Meaning and Measurement of Poverty in Canada, (Ottawa: 1984) pp. 29 - 31.

National Council on Welfare, 1985 Poverty Lines, (Ottawa: 1985), pp. 1 - 6.

Perkovic, Eddy and Csiernik, Rick, Guide for Family Budgeting in Hamilton-Wentworth - 1986, (Hamilton: Social Planning and Research Council), pp. 3.

APPENDIX 2

SOCIAL COSTS OF DISABLEMENT

SOCIAL COST OF DISABLEMENT TO THE FAMILIES OF DISABLED CHILDREN

The Data

This information was collected from parents of children aged from five to ten years in Oxford, England, in 1982, and Hamilton, Ontario, in 1983. In England, the children had been identified as having special needs by the Oxfordshire Local Education Authority. In Hamilton, the sample was collected through the Hamilton Board of Education, Child and Family Services at Chedoke-McMaster Hospitals, and the Rygiel Home. The Hamilton sample has a much larger proportion of severely handicapped children which is the probable result of the way the information was collected.

The instrument used to gather information was a questionnaire, developed from English work in similar fields, which took a minimum of two hours to administer to the mothers of the children. The interviewing of the mothers was undertaken by the author. Eight hundred and seventy-two variables were initially identified. However, because of the small sample size - 21 families in each city - statistically significant relationships cannot be claimed.

This data forms part of an exploratory study, concerned with the use and delivery of services to families with children who have special needs, as seen by the consumer. The parents were asked questions about the functioning of their child, their use of services both now and in the past, and whom they would look to for assistance and help.

Lost Earnings

In response to Question 8.18 "Do you think your earnings or your husband's earnings have been reduced because of the child?" 23.8% in Oxford and 52.4% in Hamilton agreed. Two in both cities felt that their

husband's career had suffered as the family was not mobile, being dependent on proximity to services for their child's needs. One mother in Oxford and two in Hamilton mentioned the time limitations on any work outside the home, as they had to be in the house when the child was at home - children in wheelchairs cannot usually let themselves in and out. In fact, those mothers who were in employment had chosen work where there was some flexibility of hours, or work that was available during the school day. All but one of the Hamilton mothers and three of the Oxford mothers in employment were nurses. The rest of the Oxford women worked as cleaners, school lunch supervisors, a child minder, a school crossing guard and as a freelance architect. One mother in each city felt that her career had suffered, and one Oxford mother and four Hamilton mothers felt they were unable to work at all because of the demands of the child. Finally, two families in Hamilton had been unable to keep up their mortgage payments because of lost working time when their child was very sick.

Extra Financial Expenses Mentioned

In the course of questioning mothers about recreation of the child and family, hospitalization of the child, travel, and housing, it became obvious that parents had many expenses over and above those for normal children. 47.6% in Oxford and 71. 4% in Hamilton mentioned areas where extra expenses had been incurred. These were for babysitting and holiday care of the child, heavy wear and tear on clothes because of such things as braces making holes, or the necessity of the child having to crawl long past the age that other children do. Travel was an item of expense as many of these children could not walk well, if at all, and parents found they needed a bigger car to carry the child and her chair, or had to use taxis as the child could not be carried by the local bus. Many of these children had had considerable amounts of time in hospital, and there were expenses associated with this such as time off to admit the child, time off work to visit and care for the child, and the cost of

travel back and forth. Regular appointments with specialized health professionals also took time away from work, and involved travel costs. Some parents had costs such as a special costly diet, medication, and large diapers for children who needed them past the normal years of childhood. To try and create a house in which their child could have some measure of independence, some parents had had considerable expenses in adapting their house for the child's needs. Children who were mentally retarded or had behaviour problems sometimes also needed to have modifications to the house, to make it safe, or to prevent the child from wandering. Aids such as wheelchairs had also been a considerable expense to some parents, even with the onset of the Assistive Devices Program as the 25% the parents had to find themselves was, with expensive devices, often a considerable sum. Finally, there were some children, because of their condition, who particularly felt the cold, and parents had extra high heating bills.

About 60% of those who reported on extra expenses in both cities had only an expense in one area. Two mothers in Oxford reported costs in three areas, two Hamilton mothers had costs in four areas, and one Hamilton mother costs in five.

The possible reasons why the Oxford mothers reported less costs than the Hamilton mothers were:

- that the Handicapped Allowance paid to families is not meanstested, eligibility depends on the disability of the child;
- the Family Fund provides cash allowances to the family of any family whose child met the disability criteria on application, for such expenses as heating, adaptations, clothing allowances, upkeep of the car, etc., where these were necessary for the child;
- the National Health Service pays for all devices, some of which are loaned to the child;
- a mobility allowance is paid to families whose child meets certain criteria;
- Local Authorities are empowered by the Chronically Sick and Disabled Persons Act, 1970, to provide resources for everyday living at home.

Restricted Family Social Activity

Mothers were asked "Do you feel your social activities are restricted because of the child's problems?" 71.4% of mothers in Oxford, and 66.7% in Hamilton agreed that this was the case either now or in the past. The problems mentioned were in six broad areas. The management of the child, such as having to provide specific foods, to catheterise the child, and have access to washroom facilities or not stay overnight because of lack of bladder control were mentioned. The child's own physical limitations put restrictions on family outings because of the problem of access, or the heaving around of a heavy chair. The parents' own social activities were limited as parents felt they could not get out to make friends, were not invited out to friends, or they could not invite friends in when the child was at home. Some parents did not go out together as one would always be at home to care for the special needs child. Embarrassment either from the child's behaviour, or because of the attention from others in public, also curbed some parents' social activities with the child. Suitable babysitters were also difficult to find for these children who often had specialized needs that a young high school student could not be expected to manage. This prevented parents from going out as often as they wished. Some parents felt their other children's social activities had been restricted.

Most parents mentioned problems in one area, but two mothers in Hamilton had difficulties in four areas, and one in five.

In addition, 33.3% of parents in Oxford, and 19% in Hamilton never had any holidays, either with or without their families.

Other Evidence from the Literature

a) Two-hundred and fifty-five mothers of severely physically or mentally handicapped children were surveyed in Bristol, England. 63% reported they were having problems with their other siblings, 34% had major problems using public transport with the child, and 79% had at least

one transport problem. 40% of those with a mentally-handicapped child, and 13% of those with a physically handicapped child reported that the child could never be left alone. 58% of mothers with a mentally handicapped child and 38% with a physically handicapped child, reported that their social activities were severely restricted. 55% had difficulties going out with the child, such as physical management problems, behaviour problems, transportation difficulties, and financial costs of going out.

Butler, N. et al Handicapped Children, Their Homes and Lifestyles.
H.M.S.O. Occasional Paper 4/78 Department of the Environment, 1978

b) A comparative study of a service for the mentally ill where the patient was treated at home, compared to a hospital based program for the mentally handicapped, found that the social cost to the family of the first service was high.

References:

P. Sainsbury and J. Grad de Alarcon "The Cost of Community Care and the Burden on the Family of Treating the Mentally Ill at Home" in Lees Dennis and Stella Shaw, ed Impairment, Disability, and Handicap,

London: Heinemann for the Social Science Research Council, 1974.

See also

Baldwin, S. Disabled Children - Counting the Costs,
London: Disability Alliance, 1977

Baldwin, S. et al. The Financial Consequences of Disablement in Children,

York: Social Policy Research Unit, University of York, 1981

Bradshaw, J., The Financial Needs of Disabled Children,
Disability Alliance, 1975.

Piachaud, D. et al "The Income Effect of a Disabled Child",
J. Epidemiol. and Community Health (1981), 35,2,pp. 123-127

Salkever, D.S. "Children's Health Problems and Maternal Work Status",
J. Human Resources (1982), 17, 1, pp. 94-109

